

**KEEGAN, WERLIN & PABIAN, LLP**

AII-ORNEYS AT LAW  
21 CUSTOM HOUSE STREET  
BOSTON, MASSACHUSETTS 02111-0325

\_\_\_\_\_  
(617) 951-1400

TELECOPIERS:  
(617) 951-1354  
(617) 951-0586

April 17, 2003

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station  
Boston, MA 02110

Re: Cambridge Electric Light Company/Commonwealth Electric Company d/b/a  
NSTAR Electric, D.T.E. 01-79

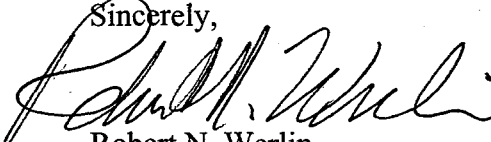
Dear Secretary Cottrell:

Enclosed for filing are: (1) the Joint Motion for Approval of Settlement Agreement; and (2) the Settlement Agreement entered into by Cambridge Electric Light Company and Commonwealth Electric Company (together, the "Companies") and the Attorney General in the above-referenced matter. Also enclosed is a Certificate of Service.

Except for a limited exception indicated therein, the Settlement Agreement is intended to resolve all issues in this case relating to the Companies' reconciliation of costs and revenues for the year 2001. As described in the Settlement Agreement, it shall be deemed withdrawn if not approved in its entirety by the Department by May 22, 2003.

If the Department has any questions regarding the terms of the Settlement Agreement or wishes additional information, please contact Joseph Rogers or Judith Laster, Assistant Attorneys General or me.

Thank you for your attention to this matter.

Sincerely,  
  
Robert N. Werlin

Enclosures

cc: Caroline O'Brien, Hearing Officer  
Service List

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

\_\_\_\_\_  
Cambridge Electric Light Company/  
Commonwealth Electric Company  
\_\_\_\_\_

)  
)  
)  
)  
)  
D.T.E. 01-79

CERTIFICATE OF SERVICE

I certify that I have this day served the foregoing document upon the Department of Telecommunications and parties of record in accordance with the requirements of 220 C.M.R. 1.05 (Department's Rules of Practice and Procedures).



\_\_\_\_\_  
Robert N. Werlin, Esq.  
Keegan, Werlin & Pabian, LLP  
21 Custom House Street  
Boston, Massachusetts 02110  
(617) 951-1400

Dated: April 17, 2003

**COMMONWEALTH OF MASSACHUSETTS**

**DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

\_\_\_\_\_  
Cambridge Electric Light Company/  
Commonwealth Electric Company  
\_\_\_\_\_

)  
)  
)  
)  
D.T.E. 01-79

**JOINT MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT**

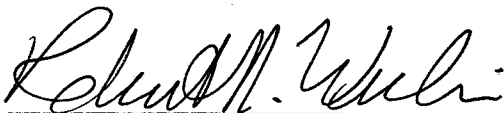
Cambridge Electric Light Company ("Cambridge"), Commonwealth Electric Company ("Commonwealth") (together, the "Companies") and the Attorney General of Massachusetts (the "Attorney General") (collectively, the "Settling Parties") jointly move, pursuant to 220 C.M.R. § 1.04(5), for Department of Telecommunications and Energy (the "Department") approval of the Settlement Agreement (the "Settlement Agreement") filed herewith. In addition, the Settling Parties request that the Department enter into evidence the exhibits filed in this proceeding and listed on Appendix A of the Settlement Agreement. The Settlement Agreement seeks to resolve issues relating to the reconciliation of costs and revenues in conjunction with the Companies' 2001 Transition Charge filing.

This Settlement Agreement is conditioned on approval in its entirety by the Department and on the further condition that, if the Department does not approve the Settlement Agreement in its entirety by May 22, 2003, it shall be deemed withdrawn.

**WHEREFORE**, the Settling Parties request that the Department grant this Joint Motion for Approval of Settlement Agreement and enter into evidence the exhibits listed in Appendix A of the Settlement Agreement on or before May 22, 2003.

Respectfully Submitted,

**CAMBRIDGE ELECTRIC LIGHT COMPANY  
COMMONWEALTH ELECTRIC COMPANY**



Robert N. Werlin  
David S. Rosenzweig  
Keegan, Werlin & Pabian, LLP  
21 Custom House Street  
Boston, MA 02110

**ATTORNEY GENERAL OF  
MASSACHUSETTS**



Joseph W. Rogers  
Judith Laster  
Assistant Attorneys General  
Regulated Industries Division  
Office of the Attorney General  
200 Portland Street  
Boston, MA 02114

Dated: April 17, 2003

**COMMONWEALTH OF MASSACHUSETTS**  
**DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

\_\_\_\_\_  
Cambridge Electric Light Company/  
Commonwealth Electric Company  
\_\_\_\_\_

D.T.E. 01-79

**SETTLEMENT AGREEMENT**

Cambridge Electric Light Company ("Cambridge"), Commonwealth Electric Company ("Commonwealth") (together, the "Companies") and the Attorney General of Massachusetts (the "Attorney General") (collectively, the "Settling Parties") agree, subject to approval by the Department of Telecommunications and Energy (the "Department"), to resolve certain issues in the this proceeding.

**ARTICLE 1**

**INTRODUCTION**

- 1.1 On November 19, 1997, the Companies filed with the Department a proposed electric restructuring plan (the "Restructuring Plan") in accordance with the Electric Restructuring Act, Chapter 164 of the Acts of 1997 (the "Restructuring Act"). On February 27, 1998, the Department determined that the Restructuring Plan is consistent with or substantially complies with the provisions of the Restructuring Act. Cambridge Electric Light Company et al., D.P.U./D.T.E. 97-111 (1998); see also Cambridge Electric Light Company/Commonwealth Electric Company, D.T.E. 99-90-C (2001).
- 1.2 On December 3, 2001, the Companies filed their third reconciliation filing with the Department, pursuant to the approved Restructuring Plan (the "Filing"). The

Filing also included tariffs seeking Department approval of charges for Standard Offer Service, Default Service, Transmission Service, Demand Side Management, Renewables and Distribution Service for effect January 1, 2002.

- 1.3 On December 27, 2001, the Department allowed tariffs implementing new charges to go into effect on January 1, 2002, subject to reconciliation.
- 1.4 On February 8, 2002, the Companies filed supplemental testimony and exhibits to update the Filing to reflect actual data through December 31, 2001.
- 1.5 On June 5, 2002, the Department issued an Order in D.T.E. 00-83-A, approving a Settlement between the Companies and the Attorney General, dated April 10, 2002 (the "2002 Settlement"), that resolved all issues relating to the reconciliation of costs and revenues for the years 1998, 1999 and 2000 (the "2002 Settlement Order").
- 1.6 On September 20, 2002, the Companies filed a second supplemental testimony and exhibits (the "Second Supplemental Filing") to update the Filing to reflect changes incorporating the requirements of the Department's 2002 Settlement Order.
- 1.7 On various dates, the Companies filed responses to information requests issued by the Department. A listing of all exhibits filed in this proceeding, including all responses to information requests, is attached as Appendix A.
- 1.8 This Settlement Agreement is intended to resolve issues relating to the reconciliation of costs and revenues for the year 2001.

## ARTICLE 2

### TERMS OF AGREEMENT

- 2.1 The Settling Parties agree that the Companies' reconciliation of revenues and costs for 2001 are set forth in Exhibit CAM-BKR-1 (Supp 2), Exhibit COM-BKR-1 (Settlement), Exhibit CAM-BKR-2 (Settlement), Exhibit COM-BKR-2 (Settlement), Exhibit CAM-BKR-3 (Supp 2), Exhibit COM-BKR-3 (Supp 2), Exhibit CAM-RAP-1 (Supp 2) and Exhibit COM-RAP-1 (Supp 2).<sup>1</sup> Exhibits COM-BKR-1 (Settlement) and COM-BKR-2 (Settlement) include adjustments to return the SO<sub>2</sub> emission allowance sale and auction proceeds from the Cannon Street facility to customers in the variable component of the transition charge for 2001.<sup>2</sup> Exhibit CAM-BKR-2 (Settlement) is included to provide back-up detail for Exhibit CAM-BKR-1 (Supp 2).
- 2.2 The Settling Parties have not reached agreement on the issue of the recovery of costs reconciled in this filing that relate to the class action suit in Dwyer, et al. v. NSTAR Electric & Gas Corporation, et al., Civil Action No. 01-1817-C (Suffolk Superior Court), involving whether certain customers should have been receiving Standard Offer Service rather than Default Service. This issue also is relevant to the Companies' 2002 reconciliation filing (D.T.E. 02-80B), and the Settling Parties will seek to resolve the issue for both years in that proceeding, provided

---

<sup>1</sup> The exhibits designated as "Settlement" are attached to this Settlement Agreement and incorporated by reference.

<sup>2</sup> The changed values in the settlement exhibits are indicated by shading.

that if the Settling Parties are unable to resolve the issue, the Attorney General may challenge the Companies' position for both years in that proceeding.

### **ARTICLE 3**

#### **CONDITIONS**

- 3.1 This Settlement Agreement shall not be deemed in any respect to constitute an admission by any party that any allegation or contention in this proceeding is true or false. Except as specified in this Settlement Agreement, the entry of an order by the Department approving this Settlement Agreement shall not in any respect constitute a determination by the Department as to the merits of any other issue raised in this proceeding or any future proceeding.
- 3.2 The making of this Settlement Agreement establishes no principles and shall not be deemed to foreclose any party from making any contention in any future proceedings or investigation, except as to those issues that are stated in this Settlement Agreement as being resolved and terminated by approval of this Settlement Agreement.
- 3.3 This Settlement Agreement is the product of settlement negotiations. The Settling Parties agree that the content of those negotiations (including work papers and documents produced in connection with the negotiations) are confidential, that all offers of settlement are without prejudice to the position of any party or participant presenting such offer or participating in such discussion, and that the Settling Parties will not use the content of those negotiations in any manner in these or other proceedings involving one or more of the parties to this Settlement Agreement, or otherwise.



- 3.4 The provisions of this Settlement Agreement are not severable. This Settlement Agreement is conditioned on its approval in full by the Department.
- 3.5 If the Department does not approve the Settlement Agreement in its entirety by May 22, 2003, it shall be deemed to be withdrawn and shall not constitute a part of the record in any proceeding or used for any other purpose.
- 3.6 The Department shall have continuing jurisdiction to enforce the terms of this Settlement Agreement.

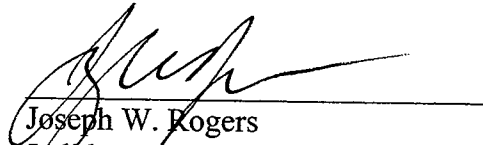
The signatories listed below represent that they are authorized on behalf of their principals to enter into this Settlement Agreement.

**CAMBRIDGE ELECTRIC LIGHT COMPANY  
COMMONWEALTH ELECTRIC COMPANY**



Robert N. Werlin  
David S. Rosenzweig  
Keegan, Werlin & Pabian, LLP  
21 Custom House Street  
Boston, MA 02110

**ATTORNEY GENERAL OF  
MASSACHUSETTS**



Joseph W. Rogers  
Judith Laster  
Assistant Attorneys General  
Regulated Industries Division  
Office of the Attorney General  
200 Portland Street  
Boston, MA 02114

Dated: April 17, 2003

**D.T.E. 01-79  
Cambridge Electric Light Company  
Commonwealth Electric Company  
2001 Transition Charge True-up  
Exhibit List**

<b><u>Prefiled Testimony and Exhibits</u></b>	<b><u>Description</u></b>
Exhibit CAM/COM-BKR	➤ Testimony of Bryant K. Robinson
Exhibit CAM/COM-BKR (Supp)	➤ Supplemental Direct Testimony of Bryant K. Robinson
Exhibit CAM/COM-BKR (Supp 2)	➤ Second Supplemental Direct Testimony of Bryant K. Robinson
Exhibit CAM-BKR-1	➤ Transition Charge Calculation for 2002 (Cambridge)
Exhibit CAM-BKR-1 (Supp)	➤ Transition Charge Calculation for 2002 (Cambridge)
Exhibit CAM-BKR-1 (Supp 2)	➤ Transition Charge Calculation (Cambridge)
Exhibit CAM-BKR-2	➤ Transition Charge – Fixed Component (Cambridge)
Exhibit CAM-BKR-2 (Supp)	➤ Transition Charge – Fixed Component (Cambridge)
Exhibit CAM-BKR-3	➤ Transmission Rate (Cambridge)
Exhibit CAM-BKR-3 (Supp)	➤ Transmission Costs (Cambridge)
Exhibit CAM-BKR-3 (Supp 2)	➤ Transmission Reconciliation (Cambridge)
Exhibit COM-BKR-1	➤ Transition Charge Calculation for 2002 (Commonwealth)
Exhibit COM-BKR-1 (Supp)	➤ Transition Charge Calculation for 2002 (Commonwealth)
Exhibit COM-BKR-1 (Supp 2)	➤ Transition Charge Calculation (Commonwealth)
Exhibit COM-BKR-2	➤ Transition Charge – Fixed Component (Commonwealth)
Exhibit COM-BKR-2 (Supp)	➤ Transition Charge Calculation-- Fixed Component (Commonwealth)
Exhibit COM-BKR-3	➤ Transmission Rate (Commonwealth)
Exhibit COM-BKR-3 (Supp)	➤ Transmission Costs (Commonwealth)
Exhibit COM-BKR-3 (Supp 2)	➤ Transmission Reconciliation (Commonwealth)
Exhibit CAM/COM-RAP	➤ Testimony of Rose Ann Pelletier
Exhibit CAM/COM-RAP (Supp)	➤ Supplemental Direct Testimony of Rose Ann Pelletier
Exhibit CAM/COM-RAP (Supp 2)	➤ Second Supplemental Direct Testimony of Rose Ann Pelletier

**D.T.E. 01-79**  
**Cambridge Electric Light Company**  
**Commonwealth Electric Company**  
**2001 Transition Charge True-up**  
**Exhibit List**

<b><u>Prefiled Testimony and Exhibits</u></b>	<b><u>Description</u></b>
Exhibit CAM-RAP-1	➤ Standard Offer and Default Service Preliminary Reconciliation for 2001 (Cambridge)
Exhibit CAM-RAP-1 (Supp)	➤ Standard Offer and Default Service Reconciliation for 2001 (Cambridge)
Exhibit CAM-RAP-1 (Supp 2)	➤ Standard Offer and Default Service Reconciliation for 2001 (Cambridge)
Exhibit CAM-RAP-2	➤ Standard Offer and Default Service Projected Reconciliation for 2002 (Cambridge)
Exhibit CAM-RAP-2 (Supp)	➤ Standard Offer and Default Service Reconciliation for 2002 (Cambridge)
Exhibit CAM-RAP-2 (Supp 2)	➤ Standard Offer and Default Service Reconciliation for 2002 (Cambridge)
Exhibit COM-RAP-1	➤ Standard Offer and Default Service Preliminary Reconciliation for 2001 (Commonwealth)
Exhibit COM-RAP-1 (Supp)	➤ Standard Offer and Default Service Reconciliation for 2001 (Commonwealth)
Exhibit COM-RAP-1 (Supp 2)	➤ Standard Offer and Default Service Reconciliation for 2001 (Commonwealth)
Exhibit COM-RAP-2	➤ Standard Offer and Default Service Projected Reconciliation for 2002 (Commonwealth)
Exhibit COM-RAP-2 (Supp)	➤ Standard Offer and Default Service Reconciliation for 2002 (Commonwealth)
Exhibit COM-RAP-2 (Supp 2)	➤ Standard Offer and Default Service Reconciliation for 2002 (Commonwealth)
Exhibit CAM/COM-HCL	➤ Testimony of Henry C. LaMontagne
Exhibit CAM/COM-HCL (Supp 2)	➤ Second Supplemental Testimony of Henry C. LaMontagne
Exhibit CAM-HCL-1	➤ Proposed Tariffs – Redlined (Cambridge)
Exhibit CAM-HCL-2	➤ Summary of Revenues by Rate Schedule (Cambridge)
Exhibit CAM-HCL-3	➤ Pricing Models and Revenue Proofs (Cambridge)
Exhibit CAM-HCL-4	➤ Percentage Rate Reductions (Cambridge)
Exhibit CAM-HCL-5	➤ Summary of Unbundled Rate Components (Cambridge)
Exhibit CAM-HCL-6	➤ Transition Rate Adjustment (Cambridge)
Exhibit CAM-HCL-6 (Supp 2)	➤ Transition Rate Adjustment (Cambridge)
Exhibit CAM-HCL-7	➤ Derivation of Inflation Factor (Cambridge)
Exhibit CAM-HCL-8	➤ Typical Bill Calculations (Cambridge)

**D.T.E. 01-79**  
**Cambridge Electric Light Company**  
**Commonwealth Electric Company**  
**2001 Transition Charge True-up**  
**Exhibit List**

**Prefiled Testimony and Exhibits**

**Description**

Exhibit CAM/COM-HCL	➤ Testimony of Henry C. LaMontagne
Exhibit CAM/COM-HCL (Supp 2)	➤ Second Supplemental Testimony of Henry C. LaMontagne
Exhibit COM-HCL-1	➤ Proposed Tariffs – Redlined (Commonwealth)
Exhibit COM-HCL-2	➤ Summary of Revenues by Rate Schedule (Commonwealth)
Exhibit COM-HCL-3	➤ Pricing Models and Revenue Proofs (Commonwealth)
Exhibit COM-HCL-4	➤ Percentage Rate Reductions (Commonwealth)
Exhibit COM-HCL-5	➤ Summary of Unbundled Rate Components (Commonwealth)
Exhibit COM-HCL-6	➤ Transition Rate Adjustment (Commonwealth)
Exhibit COM-HCL-6 (Supp 2)	➤ Transition Rate Adjustment (Commonwealth)
Exhibit COM-HCL-7	➤ Derivation of Inflation Factor (Commonwealth)
Exhibit COM-HCL-8	➤ Typical Bill Calculations (Commonwealth)

**Response to Information Requests**

EXHIBIT DTE-1-1

EXHIBIT DTE-2-1

EXHIBIT DTE-2-2

EXHIBIT DTE-2-3

EXHIBIT DTE-3-1

**Settlement Exhibits**

Exhibit CAM-BKR-2 (Settlement)

Exhibit COM-BKR-1 (Settlement)

Exhibit COM-BKR-2 (Settlement)

Cambridge Electric Light Company  
Summary of Transition Charges  
Fixed Component

\$ in Thousands

Line	Year (1)	Cambridge Electric Light Company Pre-Tax Return on Generation Related Investment and Regulatory Assets (2)	Cambridge Electric Light Company Amortization of Generation Related Investment and Regulatory Assets (3)	Canal Electric Company Pre-Tax Return on Generation Related Investment and Regulatory Assets (4)	Canal Electric Company Amortization of Generation Related Investment and Regulatory Assets (5)	Base Total Fixed Component (6)	Adjustment For Residual Value Credit (7)	Net Fixed Component Including Adjustment For Residual Value Credit (8)
1	1998	\$923	\$4,127	\$652	\$3,195	\$8,897	\$0	\$8,897
2	1/99-8/99	619	350	419	280	1,668	(7,181)	(5,513)
3	9/99-12/99	256	158	190	138	742	(3,590)	(2,848)
4	2000	712	475	534	414	2,135	(9,156)	(7,021)
5	2001	638	475	478	414	2,005	(4,686)	(2,681)
6	2002	563	475	422	414	1,874	(4,430)	(2,556)
7	2003	488	475	366	414	1,743	(4,174)	(2,431)
8	2004	413	475	310	414	1,612	(3,918)	(2,306)
9	2005	338	475	253	414	1,480	(3,661)	(2,181)
10	2006	263	475	197	414	1,349	(3,405)	(2,056)
11	2007	188	475	141	414	1,218	(3,149)	(1,931)
12	2008	113	475	85	414	1,087	(2,891)	(1,804)
13	2009	38	477	28	418	961	(2,647)	(1,686)
14	2010							
15	2011							
16	2012							
17	2013							
18	2014							
19	2015							
20	2016							
21	2017							
22	2018							
23	2019							
24	2020							
25	2021							
26	2022							
27	2023							
28	2024							
29	2025							
30	2026							

Column Notes:

- (2) See Pages 14 to 15 and 18 to 19, Column (6).
- (3) For 2000, Column (3) = (Page 6, Column (4), Line 6)/9. For 2001-2009, same as 2000.
- (4) See Pages 16 to 17 and 20 to 21, Column (6).
- (5) For 2000, Column (5) = (Page 6, Column (4), Line 6)/9. For 2001-2009, same as 2000.
- (6) Sum of Columns (2) through (5).
- (7) See Page 22, Line 10.
- (8) Column (6) + Column (7).

Cambridge Electric Light Company's Generation Facilities  
Net Capability and Unrecovered Costs  
as of December 31, 1995

Source	Location	Year (s) Placed In-Service	Energy Source	Net Capacity (MW)	\$ in Thousands			Applicable Annual Amortization 2000 and Beyond	
					1995	3/1/98	1/1/99		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Fossil Fuel Units:									
Kendall Station	Cambridge, MA	1949	Oil - Gas	64	\$7,142	\$6,071	\$3,600	\$3,273	\$327
Kendall Jets	Cambridge, MA	1970	Oil	46	1,511	1,350	801	728	73
Blackstone Station	Cambridge, MA	1903	Oil - Gas	16	586	452	268	243	24
Step-Up Transformers at Generation Facilities (Not Included in Transmission Rates)									
General Plant Allocated to Generation					0	0	0	0	0
Generation Related Property Held for Future Use and Non-Utility Property					1,024	941	558	507	51
Total				126	0	0	0	0	0
					\$10,263	\$8,814	\$5,227	\$4,751	\$475

Cambridge Electric Light Company  
Canal Electric Company's Generation Facilities  
Net Capability and Unrecovered Costs  
as of December 31, 1995

Source	Location	Year (s) Placed In-Service	Energy Source	Net Capability (MW)	1995	3/1/98	\$ in Thousands 1/1/99	1/1/00	Applicable Annual Amortization 2000 and Beyond
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Fossil Fuel Units:									
Canal 1	Sandwich, MA	1968	Oil	112	\$2,031	\$1,404	\$833	\$757	\$76
Canal 2	Sandwich, MA	1976	Oil - Gas	234	5,155	6,158	3,652	3,319	332
Step-Up Transformers at Generation Facilities (Not Included in Transmission Rates)									
General Plant Allocated to Generation					104	80	47	44	4
Total				346	53	44	26	24	2
					\$7,343	\$7,686	\$4,558	\$4,144	\$414

Cambridge Electric Light Company Generation Related  
Regulatory Asset Balances

\$ in Thousands

	December 31, 1995 (1)	March 1, 1998 (2)	January 1, 1999 (3)	July 1, 1999 (4)	Applicable Annual Amortization 2000 and Beyond (5)	Basis for Deferral (6)
FAS 106 (12.7% Investment)	\$1,040	\$900	\$533	\$243	\$0	Settlement Agreement
FAS 106 Transition Obligation (6.5% Investment)	2,574	1,723	1,021	1,962	0	FERC Ratemaking Policy
Pension Costs (12.7% Investment)	317	569	337	482	0	Settlement Agreement
FAS 87 Transition Obligation (6.5% Investment)	(765)	(2,285)	(1,353)	1,956	0	FERC Ratemaking Policy
Blackstone and Kendall Asbestos (12.7% Investment)	459	419	248	236	0	FERC Ratemaking Policy
EPA Allowances (12.7% Investment)	0	0	0	(8)	0	FERC Ratemaking Policy
Total Regulatory Assets	\$3,625	\$1,326	\$786	\$4,871	\$0	



Cambridge Electric Light Company  
Canal Electric Company Generation Related  
Regulatory Asset Balances

\$ in Thousands

	Balance as of			Applicable Annual Amortization 2000 and Beyond	Basis for Deferral (6)
	December 31, 1995 (1)	March 1, 1998 (2)	January 1, 1999 (3)	July 1, 1999 (4)	
FAS 106 Transition Obligation - Canal 1 (6.5% Investment)	\$1,939	\$1,542	\$901	\$1,216	FERC Ratemaking Policy
FAS 106 Transition Obligation - Canal 2 (6.5% Investment)	1,939	1,542	901	1,216	FERC Ratemaking Policy
FAS 87 Transition Obligation - Canal 1 (6.5% Investment)	(1,026)	(852)	(498)	2,523	FERC Ratemaking Policy
FAS 87 Transition Obligation - Canal 2 (6.5% Investment)	(1,026)	(852)	(498)	2,523	FERC Ratemaking Policy
Unamortized Debt Expense - Canal 1 (13.29% Investment)	24	19	12	9	FERC Ratemaking Policy
Unamortized Debt Expense - Canal 2 (13.29% Investment)	26	20	12	10	FERC Ratemaking Policy
Unamortized Debt Premium - Canal 1 (13.29% Investment)	(2)	(2)	(1)	(1)	FERC Ratemaking Policy
Unamortized Debt Premium - Canal 2 (13.29% Investment)	(2)	(2)	(1)	(1)	FERC Ratemaking Policy
EPA Allowances - Canal 1 (13.29% Investment)	(69)	(20)	(10)	(22)	FERC Ratemaking Policy
EPA Allowances - Canal 2 (13.29% Investment)	(50)	(59)	(30)	(64)	FERC Ratemaking Policy
Total Regulatory Assets	\$1,753	\$1,336	\$788	\$7,409	\$0
COM/Electric Share	1,068	820	486	4,605	0
Cambridge 19.94% Allocation (b)	\$213	\$164	\$97	\$918	\$0

(b) These amounts represents Cambridge Electric Light's portion (19.94%) of affiliate Canal Electric Company's regulatory assets/liabilities. Canal Electric is entitled to 25% of the output of Canal 1 and is a 50% joint owner of Canal 2.

Cambridge Electric Light Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component (12.70% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis				Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Regulatory Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)	Excess Book Over Tax (8)	
1	3/1/98	\$8,814	\$1,888	\$10,702	\$8,995	\$0	\$8,995	\$1,707	\$670
2	12/31/98	5,227	1,118	6,345	8,459	0	8,459	(2,114)	(829)
3	6/30/99	4,989	1,070	6,059	8,158	0	8,158	(2,099)	(823)
4	8/31/99	4,910	0	4,910	8,058	0	8,058	(3,148)	(1,235)
5	12/31/99	4,752	0	4,752	7,857	0	7,857	(3,105)	(1,218)
6	2000	4,277	0	4,277	7,071	0	7,071	(2,794)	(1,096)
7	2001	3,802	0	3,802	6,285	0	6,285	(2,483)	(974)
8	2002	3,327	0	3,327	5,499	0	5,499	(2,172)	(852)
9	2003	2,852	0	2,852	4,713	0	4,713	(1,861)	(730)
10	2004	2,377	0	2,377	3,927	0	3,927	(1,550)	(608)
11	2005	1,902	0	1,902	3,141	0	3,141	(1,239)	(486)
12	2006	1,427	0	1,427	2,355	0	2,355	(928)	(364)
13	2007	952	0	952	1,569	0	1,569	(617)	(242)
14	2008	477	0	477	783	0	783	(306)	(120)
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) See Page 4, Columns (2) and (3) for 1998 12.7% Regulatory Asset Balances. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Cambridge Electric Light Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component (6.5% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis				Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Regulatory Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)			
1	3/1/98	\$0	(\$562)	(\$562)	\$0	(\$562)	(\$562)	\$0	\$0	
2	12/31/98	0	(332)	(332)	0	(524)	(524)	192	75	
3	6/30/99	0	(317)	(317)	0	(500)	(500)	183	72	
4	8/31/99	0	0	0	0	0	0	0	0	
5	12/31/99	0	0	0	0	0	0	0	0	
6	2000	0	0	0	0	0	0	0	0	
7	2001	0	0	0	0	0	0	0	0	
8	2002	0	0	0	0	0	0	0	0	
9	2003	0	0	0	0	0	0	0	0	
10	2004	0	0	0	0	0	0	0	0	
11	2005	0	0	0	0	0	0	0	0	
12	2006	0	0	0	0	0	0	0	0	
13	2007	0	0	0	0	0	0	0	0	
14	2008	0	0	0	0	0	0	0	0	
15	2009	0	0	0	0	0	0	0	0	

Column Notes:

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) See Page 4, Columns (2) and (3) for 6.5% Regulatory Asset Balances. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Cambridge Electric Light Company  
Canal Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component (13.29% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Assets (6)	Total Tax Basis (7)		
1	3/1/98	\$7,686	(\$9)	\$7,677	\$5,290	\$8	\$5,298	\$2,379	\$933
2	12/31/98	4,558	(4)	4,554	4,808	8	4,816	(262)	(103)
3	6/30/99	4,351	(4)	4,347	4,550	8	4,558	(211)	(83)
4	8/31/99	4,282	0	4,282	4,464	0	4,464	(182)	(71)
5	12/31/99	4,144	0	4,144	4,292	0	4,292	(148)	(58)
6	2000	3,730	0	3,730	3,863	0	3,863	(133)	(52)
7	2001	3,316	0	3,316	3,434	0	3,434	(118)	(46)
8	2002	2,902	0	2,902	3,005	0	3,005	(103)	(40)
9	2003	2,488	0	2,488	2,576	0	2,576	(88)	(35)
10	2004	2,074	0	2,074	2,147	0	2,147	(73)	(29)
11	2005	1,660	0	1,660	1,718	0	1,718	(58)	(23)
12	2006	1,246	0	1,246	1,289	0	1,289	(43)	(17)
13	2007	832	0	832	860	0	860	(28)	(11)
14	2008	418	0	418	431	0	431	(13)	(5)
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 3, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (5) Current Year.
- (3) See Page 5, Columns (2) and (3) for 1998 13.29% Regulatory Asset Balances. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Cambridge Electric Light Company  
Canal Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component (6.5% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Assets (6)	Total Tax Basis (7)		
1	3/1/98	\$0	172	\$172	\$0	\$171	\$171	\$1	\$0
2	12/31/98	0	100	100	0	158	158	(58)	(23)
3	6/30/99	0	96	96	0	146	146	(50)	(20)
4	8/31/99	0	0	0	0	0	0	0	0
5	12/31/99	0	0	0	0	0	0	0	0
6	2000	0	0	0	0	0	0	0	0
7	2001	0	0	0	0	0	0	0	0
8	2002	0	0	0	0	0	0	0	0
9	2003	0	0	0	0	0	0	0	0
10	2004	0	0	0	0	0	0	0	0
11	2005	0	0	0	0	0	0	0	0
12	2006	0	0	0	0	0	0	0	0
13	2007	0	0	0	0	0	0	0	0
14	2008	0	0	0	0	0	0	0	0
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 3, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (5) Current Year.
- (3) See Page 5, Columns (2) and (3) for 1998 6.5% Regulatory Asset Balances. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Cambridge Electric Light Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component Adjustment (12.70% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis				Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)			
1	3/1/98	\$0	(\$173)	(\$173)	\$0	\$0	\$0	(\$173)	(\$68)	
2	12/31/98	0	(245)	(245)	0	0	0	(245)	(96)	
3	6/30/99	0	(115)	(115)	0	0	0	(115)	(45)	
4	8/31/99	0	0	0	0	0	0	0	0	
5	12/31/99	0	0	0	0	0	0	0	0	
6	2000	0	0	0	0	0	0	0	0	
7	2001	0	0	0	0	0	0	0	0	
8	2002	0	0	0	0	0	0	0	0	
9	2003	0	0	0	0	0	0	0	0	
10	2004	0	0	0	0	0	0	0	0	
11	2005	0	0	0	0	0	0	0	0	
12	2006	0	0	0	0	0	0	0	0	
13	2007	0	0	0	0	0	0	0	0	
14	2008	0	0	0	0	0	0	0	0	
15	2009	0	0	0	0	0	0	0	0	

Column Notes:

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) For 12.7% Regulatory Assets, subtract Page 4 from DTE 99-90, Schedule 1 Attachment, ACTRA-WP1.  
For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Cambridge Electric Light Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component Adjustment (6.5% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis				
		Balance Net Book Value of Generation (2)	Balance Generation Related Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)	Excess Book Over Tax (8)	Deferred Taxes (9)
1	3/1/98	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	12/31/98	0	3,167	3,167	0	0	0	3,167	1,242
3	6/30/99	0	3,130	3,130	0	0	0	3,130	1,228
4	8/31/99	0	0	0	0	0	0	0	0
5	12/31/99	0	0	0	0	0	0	0	0
6	2000	0	0	0	0	0	0	0	0
7	2001	0	0	0	0	0	0	0	0
8	2002	0	0	0	0	0	0	0	0
9	2003	0	0	0	0	0	0	0	0
10	2004	0	0	0	0	0	0	0	0
11	2005	0	0	0	0	0	0	0	0
12	2006	0	0	0	0	0	0	0	0
13	2007	0	0	0	0	0	0	0	0
14	2008	0	0	0	0	0	0	0	0
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) For 6.5% Regulatory Assets, subtract Page 4 from DTE 99-90, Schedule 1 Attachment, ACTRA-WP1.  
Also includes FAS 87 Transition Obligation Adjustment. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Cambridge Electric Light Company  
Canal Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component Adjustment (13.29% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Regulatory Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)		
1	3/1/98	\$0	(4)	(\$4)	\$0	\$0	\$0	(\$4)	(\$2)
2	12/31/98	0	(8)	(8)	0	0	0	(8)	(3)
3	6/30/99	0	(8)	(8)	0	0	0	(8)	(3)
4	8/31/99	0	0	0	0	0	0	0	0
5	12/31/99	0	0	0	0	0	0	0	0
6	2000	0	0	0	0	0	0	0	0
7	2001	0	0	0	0	0	0	0	0
8	2002	0	0	0	0	0	0	0	0
9	2003	0	0	0	0	0	0	0	0
10	2004	0	0	0	0	0	0	0	0
11	2005	0	0	0	0	0	0	0	0
12	2006	0	0	0	0	0	0	0	0
13	2007	0	0	0	0	0	0	0	0
14	2008	0	0	0	0	0	0	0	0
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 3, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (5) Current Year
- (3) For 13.29% Regulatory Assets, subtract Page 5 from DTE 99-90, Schedule 1 Attachment, ACTRA-WP3.  
For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.



Cambridge Electric Light Company  
Canal Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component Adjustment (6.5% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Regulatory Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)		
1	3/1/98	\$0	0	\$0	\$0	\$0	\$0	\$0	\$0
2	12/31/98	0	777	777	0	0	0	777	305
3	6/30/99	0	777	777	0	0	0	777	305
4	8/31/99	0	0	0	0	0	0	0	0
5	12/31/99	0	0	0	0	0	0	0	0
6	2000	0	0	0	0	0	0	0	0
7	2001	0	0	0	0	0	0	0	0
8	2002	0	0	0	0	0	0	0	0
9	2003	0	0	0	0	0	0	0	0
10	2004	0	0	0	0	0	0	0	0
11	2005	0	0	0	0	0	0	0	0
12	2006	0	0	0	0	0	0	0	0
13	2007	0	0	0	0	0	0	0	0
14	2008	0	0	0	0	0	0	0	0
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 3, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (5) Current Year
- (3) For 6.5% Regulatory Assets, subtract Page 5 from DTE 99-90, Schedule 1 Attachment, ACTRA-WP3. For 2000-2009, (Also includes FAS 87 Transition Obligation Adjustment. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Cambridge Electric Light Company  
Summary of Transition Charges  
Return on Fixed Component (12.70% Investment)  
\$ in Thousands

Line	Year End (1)	Base Return			Annual Return on Unamortized Balance Using Base ROE (6)
		Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	
1	3/1/98	\$10,702	\$670	\$10,032	
2	12/31/98	6,345	(829)	7,174	911
3	6/30/99	6,059	(823)	6,882	446
4	8/31/99	4,910	(1,235)	6,145	131
5	12/31/99	4,752	(1,218)	5,970	256
6	2000	4,277	(1,096)	5,373	712
7	2001	3,802	(974)	4,776	638
8	2002	3,327	(852)	4,179	563
9	2003	2,852	(730)	3,582	488
10	2004	2,377	(608)	2,985	413
11	2005	1,902	(486)	2,388	338
12	2006	1,427	(364)	1,791	263
13	2007	952	(242)	1,194	188
14	2008	477	(120)	597	113
15	2009	0	0	0	38

Column Notes:

- (2) See Page 6, Column (4).
- (3) See Page 6, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Total Rate of Return of 12.70%.

Base Return Component		Year End 1995
<b>Capital Structure:</b>		
LTD - Taxable		48.65%
Preferred		0.00%
Common Equity		51.35%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		8.92%
Preferred		0.00%
Common Equity		9.90%
<b>Total Weighted Cost Rate</b>		<u>9.42%</u>
<b>Reimbursement for Taxes on Equity Component</b>		
		3.28%
<b>Total Rate of Return</b>		12.70%

Cambridge Electric Light Company  
Summary of Transition Charges  
Return on Fixed Component (6.5% Investment)

\$ in Thousands

Line	Year End (1)	Base Return				Annual Return on Unamortized Balance Using Base ROE (6)
		Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	
1	3/1/98	(\$562)	\$0	(\$562)		
2	12/31/98	(332)	75	(407)	(485)	(27)
3	6/30/99	(317)	72	(389)	(398)	(13)
4	8/31/99	0	0	0	(195)	0
5	12/31/99	0	0	0	0	0
6	2000	0	0	0	0	0
7	2001	0	0	0	0	0
8	2002	0	0	0	0	0
9	2003	0	0	0	0	0
10	2004	0	0	0	0	0
11	2005	0	0	0	0	0
12	2006	0	0	0	0	0
13	2007	0	0	0	0	0
14	2008	0	0	0	0	0
15	2009	0	0	0	0	0

Base Return Component		Year End
Capital Structure:		1995
LTD - Taxable		48.65%
Preferred		0.00%
Common Equity		51.35%
		100.00%
Cost Rates:		
LTD - Taxable		8.92%
Preferred		0.00%
Common Equity		9.90%
Total Weighted Cost Rate		9.42%
Reimbursement for Taxes on Equity Component		3.28%
Total Rate of Return		12.70%
Watson Wyatt Discount Rate		6.50%

Column Notes:

- (2) See Page 7, Column (4).  
(3) See Page 7, Column (9).  
(4) Column (2) - Column (3).  
(5) (Column (4) Prior Year + Column (4))/2.  
(6) Column (5) times Watson Wyatt Discount Rate of 6.50%.

Cambridge Electric Light Company  
Canal Electric Company  
Summary of Transition Charges  
Return on Fixed Component (13.29% Investment)

\$ in Thousands

Base Return						
Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	Annual Return on Unamortized Balance Using Base ROE (6)
1	3/1/98	\$7,677	\$933	\$6,744		
2	12/31/98	4,554	(103)	4,657	5,701	631
3	6/30/99	4,347	(83)	4,430	4,544	302
4	8/31/99	4,282	(71)	4,353	4,392	98
5	12/31/99	4,144	(58)	4,202	4,278	190
6	2000	3,730	(52)	3,782	4,022	534
7	2001	3,316	(46)	3,362	3,599	478
8	2002	2,902	(40)	2,942	3,176	422
9	2003	2,488	(35)	2,523	2,753	366
10	2004	2,074	(29)	2,103	2,330	310
11	2005	1,660	(23)	1,683	1,907	253
12	2006	1,246	(17)	1,263	1,484	197
13	2007	832	(11)	843	1,061	141
14	2008	418	(5)	423	638	85
15	2009	0	0	0	213	28

Base Return Component		Year End 1995
<b>Capital Structure:</b>		
LTD - Taxable		50.00%
Preferred		0.00%
Common Equity		50.00%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		9.20%
Preferred		0.00%
Common Equity		10.55%
<b>Total Weighted Cost Rate</b>		<u>9.88%</u>
<b>Reimbursement for Taxes on Equity Component</b>		
		3.41%
<b>Total Rate of Return</b>		<u>13.29%</u>

Column Notes:

- (2) See Page 8, Column (4).
- (3) See Page 8, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Total Rate of Return of 13.29%.

Cambridge Electric Light Company  
Canal Electric Company  
Summary of Transition Charges  
Return on Fixed Component (6.5% Investment)

\$ in Thousands

Base Return

Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	Annual Return on Unamortized Balance Using Base ROE (6)
1	3/1/98	\$172	\$0	\$172		
2	12/31/98	100	(23)	123	148	8
3	6/30/99	96	(20)	116	120	4
4	8/31/99	0	0	0	58	0
5	12/31/99	0	0	0	0	0
6	2000	0	0	0	0	0
7	2001	0	0	0	0	0
8	2002	0	0	0	0	0
9	2003	0	0	0	0	0
10	2004	0	0	0	0	0
11	2005	0	0	0	0	0
12	2006	0	0	0	0	0
13	2007	0	0	0	0	0
14	2008	0	0	0	0	0
15	2009	0	0	0	0	0

Column Notes:

- (2) See Page 9, Column (4).
- (3) See Page 9, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Watson Wyatt Discount Rate of 6.50%.

Base Return Component		Year End
<b>Capital Structure:</b>		1995
LTD - Taxable		50.00%
Preferred		0.00%
Common Equity		50.00%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		9.20%
Preferred		0.00%
Common Equity		10.55%
		<u>9.88%</u>
<b>Total Weighted Cost Rate</b>		
<b>Reimbursement for Taxes on Equity Component</b>		3.41%
<b>Total Rate of Return</b>		13.29%
<b>Watson Wyatt Discount Rate</b>		6.50%

Cambridge Electric Light Company  
Summary of Transition Charges  
Return on Fixed Component Adjustment (12.70% Investment)

\$ in Thousands

Base Return						
Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	Annual Return on Unamortized Balance Using Base ROE (6)
1	3/1/98	(\$173)	(\$68)	(\$105)		
2	12/31/98	(245)	(96)	(149)	(127)	(13)
3	6/30/99	(115)	(45)	(70)	(110)	(7)
4	8/31/99	0	0	0	(35)	0
5	12/31/99	0	0	0	0	0
6	2000	0	0	0	0	0
7	2001	0	0	0	0	0
8	2002	0	0	0	0	0
9	2003	0	0	0	0	0
10	2004	0	0	0	0	0
11	2005	0	0	0	0	0
12	2006	0	0	0	0	0
13	2007	0	0	0	0	0
14	2008	0	0	0	0	0
15	2009	0	0	0	0	0

Column Notes:

- (2) See Page 10, Column (4).
- (3) See Page 10, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Total Rate of Return of 12.70%.

Base Return Component		Year End 1995
<b>Capital Structure:</b>		
LTD - Taxable		48.65%
Preferred		0.00%
Common Equity		51.35%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		8.92%
Preferred		0.00%
Common Equity		9.90%
		<u>9.42%</u>
<b>Total Weighted Cost Rate</b>		
<b>Reimbursement for Taxes on Equity Component</b>		3.28%
<b>Total Rate of Return</b>		12.70%

Cambridge Electric Light Company  
Summary of Transition Charges  
Return on Fixed Component Adjustment (6.5% Investment)

\$ in Thousands

Line	Year End (1)	Balance of Fixed Component (2)	Base Return			Annual Return on Unamortized Balance Using Base ROE (6)
			Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	
1	3/1/98	\$0	\$0	\$0		
2	12/31/98	3,167	1,242	1,925	963	52
3	6/30/99	3,130	1,228	1,902	1,914	62
4	8/31/99	0	0	0	951	0
5	12/31/99	0	0	0	0	0
6	2000	0	0	0	0	0
7	2001	0	0	0	0	0
8	2002	0	0	0	0	0
9	2003	0	0	0	0	0
10	2004	0	0	0	0	0
11	2005	0	0	0	0	0
12	2006	0	0	0	0	0
13	2007	0	0	0	0	0
14	2008	0	0	0	0	0
15	2009	0	0	0	0	0

Base Return Component		Year End 1995
<b>Capital Structure:</b>		
LTD - Taxable		48.65%
Preferred		0.00%
Common Equity		51.35%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		8.92%
Preferred		0.00%
Common Equity		9.90%
<b>Total Weighted Cost Rate</b>		<u>9.42%</u>
<b>Reimbursement for Taxes on Equity Component</b>		3.28%
<b>Total Rate of Return</b>		12.70%
<b>Watson Wyatt Discount Rate</b>		6.50%

Column Notes:

- (2) See Page 11, Column (4).  
(3) See Page 11, Column (9).  
(4) Column (2) - Column (3).  
(5) (Column (4) Prior Year + Column (4))/2.  
(6) Column (5) times Watson Wyatt Discount Rate of 6.50%.

Cambridge Electric Light Company  
Canal Electric Company  
Summary of Transition Charges  
Return on Fixed Component Adjustment (13.29% Investment)

\$ in Thousands

Base Return

Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	Annual Return on Unamortized Balance Using Base ROE (6)
1	3/1/98	(\$4)	(\$2)	(\$2)		
2	12/31/98	(8)	(3)	(5)	(4)	0
3	6/30/99	(8)	(3)	(5)	(5)	0
4	8/31/99	0	0	0	(3)	0
5	12/31/99	0	0	0	0	0
6	2000	0	0	0	0	0
7	2001	0	0	0	0	0
8	2002	0	0	0	0	0
9	2003	0	0	0	0	0
10	2004	0	0	0	0	0
11	2005	0	0	0	0	0
12	2006	0	0	0	0	0
13	2007	0	0	0	0	0
14	2008	0	0	0	0	0
15	2009	0	0	0	0	0

Base Return Component		Year End 1995
<b>Capital Structure:</b>		
LTD - Taxable		50.00%
Preferred		0.00%
Common Equity		50.00%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		9.20%
Preferred		0.00%
Common Equity		10.55%
<b>Total Weighted Cost Rate</b>		<u>9.88%</u>
<b>Reimbursement for Taxes on Equity Component</b>		3.41%
<b>Total Rate of Return</b>		13.29%

Column Notes:

- (2) See Page 12, Column (4).
- (3) See Page 12, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Total Rate of Return of 13.29%.



Cambridge Electric Light Company  
Canal Electric Company  
Summary of Transition Charges  
Return on Fixed Component Adjustment (6.5% Investment)

\$ in Thousands

Base Return

Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	Annual Return on Unamortized Balance Using Base ROE (6)
1	3/1/98	\$0	\$0	\$0		
2	12/31/98	777	305	472	236	13
3	6/30/99	777	305	472	472	15
4	8/31/99	0	0	0	236	0
5	12/31/99	0	0	0	0	0
6	2000	0	0	0	0	0
7	2001	0	0	0	0	0
8	2002	0	0	0	0	0
9	2003	0	0	0	0	0
10	2004	0	0	0	0	0
11	2005	0	0	0	0	0
12	2006	0	0	0	0	0
13	2007	0	0	0	0	0
14	2008	0	0	0	0	0
15	2009	0	0	0	0	0

Base Return Component		Year End
Capital Structure:		1995
LTD - Taxable		50.00%
Preferred		0.00%
Common Equity		50.00%
		<u>100.00%</u>
Cost Rates:		
LTD - Taxable		9.20%
Preferred		0.00%
Common Equity		10.55%
Total Weighted Cost Rate		<u>9.88%</u>
Reimbursement for Taxes on Equity Component		3.41%
Total Rate of Return		13.29%
Watson Wyatt Discount Rate		6.50%

Column Notes:

- (2) See Page 13, Column (4).  
(3) See Page 13, Column (9).  
(4) Column (2) - Column (3).  
(5) (Column (4) Prior Year + Column (4))/2.  
(6) Column (5) times Watson Wyatt Discount Rate of 6.50%.

Cambridge Electric Light Company  
Residual Value Credit (Debit) Summary

\$ in Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
Residual Value Credit (Debit):											
Cambridge (Page 25)	\$8,377	\$7,999	\$7,621	\$7,242	\$6,864	\$6,486	\$6,107	\$5,729	\$5,351	\$4,972	\$4,598
Canal (Page 26)	1,005	948	892	836	780	724	667	611	555	499	446
Canal (Page 27)	1,724	1,686	1,648	1,611	1,573	1,535	1,497	1,459	1,421	1,383	1,345
Cambridge (Page 28) Seabrook Buydown (EIS)	0	(152)	(964)	(942)	(920)	(897)	(875)	(853)	(831)	(809)	(783)
Cambridge (Page 29) Seabrook Buydown (Kendall)	0	(622)	(3,824)	(3,646)	(3,468)	(3,290)	(3,111)	(2,933)	(2,755)	(2,577)	(2,402)
Cambridge (Page 30) Regulatory Asset Transfer	(344)	(703)	(687)	(671)	(655)	(640)	(624)	(608)	(592)	(577)	(557)
Additional Return	9										
Total Residual Value Credit (Debit)	<u>\$10,771</u>	<u>\$9,156</u>	<u>\$4,686</u>	<u>\$4,430</u>	<u>\$4,174</u>	<u>\$3,918</u>	<u>\$3,661</u>	<u>\$3,405</u>	<u>\$3,149</u>	<u>\$2,891</u>	<u>\$2,647</u>

Cambridge Electric Light Company  
Calculation of Transition Charge (Cambridge Owned Generation) per Compliance Filing

\$ in Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1 Book Basis @ 1/1/1999	(1)											
2	\$5,227											
3 Tax Basis @ 1/1/1999												
4	8,459											
5 Excess Book vs. Tax												
6 Combined Federal and State Tax Rate	(3,232)											
7 Deferred Taxes on Basis Difference	39,225%											
8	(1,268)											
9 Beginning Plant Balance	5,227	4,752	4,277	3,802	3,327	2,852	2,377	1,902	1,427	952	477	5,227
10 Required Amortization	475	475	475	475	475	475	475	475	475	475	477	
11 Ending Plant Balance	4,752	4,277	3,802	3,327	2,852	2,377	1,902	1,427	952	477	0	
12												
13 Beginning Accumulated Deferred Tax Balance	1,268	1,153	1,038	923	808	693	578	463	348	233	118	1,268
14 Deferred Tax Provision	115	115	115	115	115	115	115	115	115	115	118	
15 Ending Accumulated Deferred Tax Balance	1,153	1,038	923	808	693	578	463	348	233	118	0	
16												
17 Beginning Plant (Net of Deferred Taxes)	6,495	5,905	5,315	4,725	4,135	3,545	2,955	2,365	1,775	1,185	595	
18 Ending Plant (Net of Deferred Taxes)	5,905	5,315	4,725	4,135	3,545	2,955	2,365	1,775	1,185	595	0	
19 Average Plant	6,200	5,610	5,020	4,430	3,840	3,250	2,660	2,070	1,480	890	298	
20 Return @ BTWACC (CEL 12/31/1995)	787	712	638	563	488	413	338	263	188	113	38	
21												
22												
23 NPV												
24 @ ATWACC												
25 Per Compliance Filing:												
26 Return of Investment	475	475	475	475	475	475	475	475	475	475	477	
27 Return on Investment	787	712	638	563	488	413	338	263	188	113	38	
28 Total Investment	1,262	1,187	1,113	1,038	963	888	813	738	663	588	515	

12.70%

7.72%

\$6,825

Canal Electric Company  
Calculation of Transition Charge (Canal Owned Generation) per Compliance Filing

\$ in Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1 Book Basis @ 1/1/1999	(1)											
2	\$4,558											
3 Tax Basis @ 1/1/1999												
4	4,808											
5 Excess Book vs. Tax												
6 Combined Federal and State Tax Rate	(250)											
7 Deferred Taxes on Basis Difference	39,225%											
8	(98)											
9 Beginning Plant Balance	4,558	4,144	3,730	3,316	2,902	2,488	2,074	1,660	1,246	832	418	4,558
10 Required Amortization	414	414	414	414	414	414	414	414	414	414	418	
11 Ending Plant Balance	4,144	3,730	3,316	2,902	2,488	2,074	1,660	1,246	832	418	0	
12												
13 Beginning Accumulated Deferred Tax Balance	98	89	80	71	62	53	44	35	26	17	8	98
14 Deferred Tax Provision	9	9	9	9	9	9	9	9	9	9	8	
15 Ending Accumulated Deferred Tax Balance	89	80	71	62	53	44	35	26	17	8	0	
16												
17 Beginning Plant (Net of Deferred Taxes)	4,656	4,233	3,810	3,387	2,964	2,541	2,118	1,695	1,272	849	426	
18 Ending Plant (Net of Deferred Taxes)	4,233	3,810	3,387	2,964	2,541	2,118	1,695	1,272	849	426	0	
19 Average Plant	4,445	4,022	3,599	3,176	2,753	2,330	1,907	1,484	1,061	638	213	
20 Return @ BTWACC (CANAL 12/31/1995)	591	534	478	422	366	310	253	197	141	85	28	
21	13.29%											
22												
23 NPV												
24 @ ATWACC												
25 Per Compliance Filing:												
26 Return of Investment	414	414	414	414	414	414	414	414	414	414	418	
27 Return on Investment	591	534	478	422	366	310	253	197	141	85	28	
28 Total Investment	1,005	948	892	836	780	724	667	611	555	499	446	

Line		1999 (2)	2000 (3)	2001 (4)	2002 (5)	2003 (6)	2004 (7)	2005 (8)	2006 (9)	2007 (10)	2008 (11)	2009 (12)	Total (13)
1	Gross Proceeds (Net of Transaction Costs)	(1) \$46,983											
2	Capital Investment Depreciation Revision												
3	Lost Revenues Revision												
4	Depreciation Revision												
5	Gross Proceeds (Revised)												
6													
7	Tax Basis @ 1/1/1999												
8													
9	Excess Proceeds vs. Tax												
10	Combined Federal and State Tax Rate												
11	Deferred Taxes on Difference												
12													
13	Beginning Plant Balance	48,459	44,054	39,649	35,244	30,839	26,434	22,029	17,624	13,219	8,814	4,409	48,459
14	Required Amortization	4,405	4,405	4,405	4,405	4,405	4,405	4,405	4,405	4,405	4,405	4,409	
15	Ending Plant Balance	44,054	39,649	35,244	30,839	26,434	22,029	17,624	13,219	8,814	4,409	0	
16													
17	Beginning Accumulated Deferred Tax Balance	(15,690)	(14,264)	(12,838)	(11,412)	(9,986)	(8,560)	(7,134)	(5,708)	(4,282)	(2,856)	(1,430)	(15,690)
18	Deferred Tax Provision	(1,426)	(1,426)	(1,426)	(1,426)	(1,426)	(1,426)	(1,426)	(1,426)	(1,426)	(1,426)	(1,430)	
19	Ending Accumulated Deferred Tax Balance	(14,264)	(12,838)	(11,412)	(9,986)	(8,560)	(7,134)	(5,708)	(4,282)	(2,856)	(1,430)	0	
20													
21	Beginning Plant (Net of Deferred Taxes)	32,769	29,790	26,811	23,832	20,853	17,874	14,895	11,916	8,937	5,958	2,979	
22	Ending Plant (Net of Deferred Taxes)	29,790	26,811	23,832	20,853	17,874	14,895	11,916	8,937	5,958	2,979	0	
23	Average Plant	31,280	28,301	25,322	22,343	19,364	16,385	13,406	10,427	7,448	4,469	1,490	
24	Return @ BTWACC (CEL 12/31/1995)	3,972	3,594	3,216	2,837	2,459	2,081	1,702	1,324	946	567	189	
25													
26													
27													
28	Sale @ 1/1/1999												
29													
30	Return of Investment	4,405	4,405	4,405	4,405	4,405	4,405	4,405	4,405	4,405	4,405	4,409	
31	Return on Investment	3,972	3,594	3,216	2,837	2,459	2,081	1,702	1,324	946	567	189	
32													
33	Total Investment	8,377	7,999	7,621	7,242	6,864	6,486	6,107	5,729	5,351	4,972	4,598	

Cambridge Electric Light Company  
Calculation of Residual Value Credit - Sale of Canal Owned Generation - Embedded Costs

\$ in Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2												
3	(1)											
4	\$4,558											
5	4,808											
6	(250)											
7	39,225%											
8	(98)											
9	4,558	4,144	3,730	3,316	2,902	2,488	2,074	1,660	1,246	832	418	4,558
10	414	414	414	414	414	414	414	414	414	414	418	
11	4,144	3,730	3,316	2,902	2,488	2,074	1,660	1,246	832	418	0	
12												
13	98	89	80	71	62	53	44	35	26	17	8	98
14	9	9	9	9	9	9	9	9	9	9	8	
15	89	80	71	62	53	44	35	26	17	8	0	
16												
17	4,656	4,233	3,810	3,387	2,964	2,541	2,118	1,695	1,272	849	426	
18	4,233	3,810	3,387	2,964	2,541	2,118	1,695	1,272	849	426	0	
19	4,445	4,022	3,599	3,176	2,753	2,330	1,907	1,484	1,061	638	213	
20	591	534	478	422	366	310	253	197	141	85	28	
21												
22												
23												
24	NPV											
25	@ ATWACC											
26												
27		414	414	414	414	414	414	414	414	414	418	
28	8.08%	591	534	422	366	310	253	197	141	85	28	
29	\$5,454	1,005	948	892	836	780	667	611	555	499	446	

Cambridge Electric Light Company  
Calculation of Residual Value Credit - Sale of Canal Owned Generation - Excess Net Book Value

\$ In Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1 Gross Proceeds (Net of Transaction Costs)	(1)											
2 Tax Basis @ 1/1/1999	\$14,596											
3 Excess Proceeds vs. Tax	0											
4 Combined Federal and State Tax Rate	14,596											
5 Deferred Taxes on Difference	39.225%											
6	5,725											
7												
8												
9 Beginning Plant Balance	14,596	13,269	11,942	10,615	9,288	7,961	6,634	5,307	3,980	2,653	1,326	14,596
10 Required Amortization	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,326	
11 Ending Plant Balance	13,269	11,942	10,615	9,288	7,961	6,634	5,307	3,980	2,653	1,326	0	
12												
13 Beginning Accumulated Deferred Tax Balance	(5,725)	(5,205)	(4,685)	(4,165)	(3,645)	(3,125)	(2,605)	(2,085)	(1,565)	(1,045)	(525)	(5,725)
14 Deferred Tax Provision	(520)	(520)	(520)	(520)	(520)	(520)	(520)	(520)	(520)	(520)	(525)	
15 Ending Accumulated Deferred Tax Balance	(5,205)	(4,685)	(4,165)	(3,645)	(3,125)	(2,605)	(2,085)	(1,565)	(1,045)	(525)	0	
16												
17 Beginning Plant (Net of Deferred Taxes)	8,871	8,064	7,257	6,450	5,643	4,836	4,029	3,222	2,415	1,608	801	
18 Ending Plant (Net of Deferred Taxes)	8,064	7,257	6,450	5,643	4,836	4,029	3,222	2,415	1,608	801	0	
19 Average Plant	8,468	7,661	6,854	6,047	5,240	4,433	3,626	2,819	2,012	1,205	401	
20 Return @ BTWACC	397	359	321	284	246	208	170	132	94	56	19	
21												
22												
23												
24 Sale @ 1/1/1999												
25 NPV												
26 @ ATWACC												
27 Return of Investment	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,326	
28 Return on Investment	397	359	321	284	246	208	170	132	94	56	19	
29 Total Investment	1,724	1,686	1,648	1,611	1,573	1,535	1,497	1,459	1,421	1,383	1,345	

Cambridge Electric Light Company  
Calculation of Residual Value Debit - Seabrook Buydown (EIS)

\$ in Thousands

Line		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2													
3	Tax Basis @ 11/1/2000												
4													
5	Excess Proceeds vs. Tax												
6	Combined Federal and State Tax Rate	(1)											
7	Deferred Taxes on Difference	(\$7,098)											
8													
9	Beginning Plant Balance												
10	Required Amortization												
11	Ending Plant Balance	0	(7,098)	(6,980)	(6,204)	(5,428)	(4,652)	(3,876)	(3,100)	(2,324)	(1,548)	(772)	(7,098)
12		0	(118)	(776)	(776)	(776)	(776)	(776)	(776)	(776)	(776)	(772)	
13	Beginning Accumulated Deferred Tax Balance	0											
14	Deferred Tax Provision	0	(6,980)	(6,204)	(5,428)	(4,652)	(3,876)	(3,100)	(2,324)	(1,548)	(772)	0	
15	Ending Accumulated Deferred Tax Balance	0	2,784	2,738	2,434	2,130	1,826	1,522	1,218	914	610	306	2,784
16		0	46	304	304	304	304	304	304	304	304	306	0
17	Beginning Plant (Net of Deferred Taxes)	0	(4,314)	(4,242)	(3,770)	(3,298)	(2,826)	(2,354)	(1,882)	(1,410)	(938)	(466)	
18	Ending Plant (Net of Deferred Taxes)	0	(4,242)	(3,770)	(3,298)	(2,826)	(2,354)	(1,882)	(1,410)	(938)	(466)	0	
19	Average Plant	0	(4,278)	(4,006)	(3,534)	(3,062)	(2,590)	(2,118)	(1,646)	(1,174)	(702)	(233)	
20	Return @ BTWACC	0	(34)	(188)	(166)	(144)	(121)	(99)	(77)	(55)	(33)	(11)	
21													
22													
23													
24	Transfer @ 11/1/2000												
25													
26	Return of Investment	0	(118)	(776)	(776)	(776)	(776)	(776)	(776)	(776)	(776)	(772)	
27	Return on Investment	0	(34)	(188)	(166)	(144)	(121)	(99)	(77)	(55)	(33)	(11)	
28													
29	Total Investment	0	(152)	(964)	(942)	(920)	(897)	(875)	(853)	(831)	(809)	(783)	

4.69%

NPV  
@ ATWACC



Cambridge Electric Light Company  
Calculation of Residual Value Debit - Seabrook Buydown (Kendall)

\$ in Thousands

Line		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2													
3	Tax Basis @ 11/1/2000												
4													
5	Excess Proceeds vs. Tax												
6	Combined Federal and State Tax Rate												
7	Deferred Taxes on Difference												
8													
9	Beginning Plant Balance												
10	Required Amortization												
11	Ending Plant Balance	0	(21,137)	(20,785)	(18,476)	(16,167)	(13,858)	(11,549)	(9,240)	(6,931)	(4,622)	(2,313)	(21,137)
12		0	(352)	(18,476)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,313)	0
13	Beginning Accumulated Deferred Tax Balance												
14	Deferred Tax Provision	0	8,291	8,153	7,247	6,341	5,435	4,529	3,623	2,717	1,811	905	8,291
15	Ending Accumulated Deferred Tax Balance	0	138	906	906	906	906	906	906	906	906	905	0
16		0	8,153	7,247	6,341	5,435	4,529	3,623	2,717	1,811	905	0	
17	Beginning Plant (Net of Deferred Taxes)												
18	Ending Plant (Net of Deferred Taxes)	0	(12,846)	(12,632)	(11,229)	(9,826)	(8,423)	(7,020)	(5,617)	(4,214)	(2,811)	(1,408)	
19	Average Plant	0	(12,632)	(11,229)	(9,826)	(8,423)	(7,020)	(5,617)	(4,214)	(2,811)	(1,408)	0	
20	Return @ BTWACC	0	(12,739)	(11,931)	(10,528)	(9,125)	(7,722)	(6,319)	(4,916)	(3,513)	(2,110)	(704)	
21		0	(270)	(1,515)	(1,337)	(1,159)	(981)	(802)	(624)	(446)	(268)	(89)	
22													
23													
24	Transfer @ 11/1/2000												
25													
26	Return of Investment	0	(352)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,309)	(2,313)	
27	Return on Investment	0	(270)	(1,515)	(1,337)	(1,159)	(981)	(802)	(624)	(446)	(268)	(89)	
28													
29	Total Investment	0	(622)	(3,824)	(3,646)	(3,468)	(3,290)	(3,111)	(2,933)	(2,755)	(2,577)	(2,402)	

NPV  
@ ATWACC

Cambridge Electric Light Company  
Calculation of Residual Value Debit - Transfer of Regulatory Assets

\$ in Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												

**Commonwealth Electric Company  
Transition Charge Calculation for 2002  
\$ in Thousands**

Year	Col. A	MWH Delivered Col. B	Transition Charge Billed Col. C	Revenues for Delivered MWH Col. D	Total			Prior Year Deferral Col. H	Interest on Deferral Col. I	Expenses Col. J	(Over) Under Collection Col. K
					Fixed Component Col. E	Variable Component Col. F	Other Component Col. G				
Actual											
1998		2,830,535	4.080	\$115,486	\$10,622	\$106,645	(\$148)			\$117,119	\$1,633
1999		3,757,997	3.086	115,976	(22,104)	140,763	(879)	1,633	\$98	119,511	3,535
2000		3,822,845	2.842	108,656	(12,648)	140,503	(343)	3,535	181	131,228	22,572
2001		3,873,766	3.017	116,880	603	134,568	779	22,572	1,226	159,748	42,868
Forecast											
2002		3,972,141	3.030	120,356	569	136,012	1,248	42,868	2,684	183,381	63,025
2003		4,051,584	3.270	132,487	532	92,250	1,312	63,025	2,414	159,533	27,046
2004		4,132,616	2.609	107,813	494	77,659	1,578	27,046	1,036	88,174	-
2005		4,215,268	2.092	88,174	458	85,876	1,840	-	-	89,721	-
2006		4,299,573	2.067	89,721	419	87,580	1,723	-	-	82,829	-
2007		4,385,564	1.889	82,829	382	80,649	1,798	-	-	70,864	-
2008		4,473,275	1.580	70,864	343	68,673	1,648	-	-	61,707	-
2009		4,562,741	1.352	61,707	304	59,629	1,774	-	-	59,446	-
2010		4,653,996	1.277	59,446	-	58,008	1,438	-	-	61,778	-
2011		4,747,076	1.301	61,778	-	60,731	1,047	-	-	63,539	-
2012		4,842,018	1.312	63,539	-	62,662	877	-	-	67,053	-
2013		4,938,858	1.284	63,399	-	63,025	374	-	-	66,231	-
2014		5,037,635	1.331	67,053	-	66,694	359	-	-	26,232	-
2015		5,138,388	1.289	66,231	-	65,886	345	-	-	13,910	-
2016		5,241,156	0.501	26,232	-	25,899	333	-	-	8,826	-
2017		5,345,979	0.260	13,910	-	13,591	319	-	-	6,241	-
2018		5,452,899	0.162	8,826	-	8,523	303	-	-	8,914	-
2019		5,561,957	0.112	6,241	-	5,948	293	-	-	9,552	-
2020		5,673,196	0.157	8,914	-	8,637	277	-	-	4,639	-
2021		5,786,660	0.165	9,552	-	9,290	262	-	-	5,495	-
2022		5,902,393	0.079	4,639	-	4,387	252	-	-	4,852	-
2023		6,020,441	0.091	5,495	-	5,259	236	-	-	1,733	-
2024		6,140,850	0.078	4,852	-	4,633	219	-	-	4,175	-
2025		6,263,667	0.028	1,733	-	1,529	204	-	-	-	-
2026		6,388,940	0.065	4,175	-	3,990	185	-	-	-	-

Col. B: Year 2002 per revised sales forecast; years 2003 and beyond assumes 2% growth per annum.  
Col. C: 1999 - 2001 = Col. D / Col. B; 2002-2003 = 15% Rate Cap Transition Charge rate; Post 2003 = Col. J / Col. B.  
Col. D: 2001 per Exh. 1, Page 2; 2002-2003 = (Col. B \* Col. C); Post 2003 = Col. J.  
Col. E: Exh. 1, Page 3, Col. H.  
Col. F: Exh. 1, Page 4, Col. O.  
Col. G: Exh. 1, Page 5, Col. K.  
Col. H: Col. K prior year.  
Col. I: Col. H times interest rate on customer deposits; 1998 = 5.95%, 1999 = 5.13%, 2000 = 5.43%, 2001 = 6.25%, 2002 = 3.63%, Post 2002 assumed to = 2002 (3.63%).  
Col. J: Sum Code E thru I.  
Col. K: Col. J - Col. D.

# Commonwealth Electric Company 2001 Transition Revenues \$ in Thousands

Description	MWH	A/C #	Per Book \$	Total
2001 Transition Billed Revenues:				
Residential Transition	1,862,444	440		
Commercial & Industrial Transition	2,008,029	442		
Street Light Transition	15,627	444	\$ 116,959	
Total Billed Revenues	3,886,100			\$ 116,959
2001 Transition Unbilled Revenues:				
Less 2000 Unbilled Revenues	171,227	Rate	Value	
Add 2001 Unbilled Revenues	158,893	2.856	\$ (4,890)	
Total Unbilled Revenues	(12,334)	3.028	4,811	(79)
Total 2001 Transition Revenues	3,873,766			\$ 116,880

# Commonwealth Electric Company Summary of Transition Charge Fixed Component \$ in Thousands

Line #	Year	Commonwealth Electric Company		Canal Electric Company		Base Total Fixed Component	Col. F (Sum of Cols. B + C + D + E)	Adjustment For Residual Value Credit	Col. G	Net Fixed Component Including Adjustment For Residual Value Credit	Col. H (Col. F + Col. G)
		Col. A	Col. B Pre-Tax Return on Generation Related Investment and Regulatory Assets	Col. C Amortization of Generation Related Investment and Regulatory Assets	Col. D Pre-Tax Return on Generation Related Investment and Regulatory Assets	Col. E Amortization of Generation Related Investment and Regulatory Assets					
1	1998		\$ 2,295	\$ 3,416	\$ 2,978	\$ 1,933	\$ 10,622	\$ -	\$ -	\$ 10,622	
2	1999		1,297	2,454	3,263	2,662	9,676	(31,780)	(22,104)	(22,104)	
3	2000		151	157	2,889	2,633	5,830	(18,478)	(12,648)	(12,648)	
4	2001		135	157	2,585	2,633	5,510	(4,907)	603	603	
5	2002		119	157	2,281	2,633	5,190	(4,621)	569	569	
6	2003		103	157	1,977	2,633	4,870	(4,338)	532	532	
7	2004		87	157	1,673	2,633	4,550	(4,056)	494	494	
8	2005		71	157	1,369	2,633	4,230	(3,772)	458	458	
9	2006		55	157	1,065	2,633	3,910	(3,492)	418	418	
10	2007		39	157	761	2,633	3,590	(3,208)	382	382	
11	2008		23	157	457	2,633	3,270	(2,927)	343	343	
12	2009		8	152	152	2,635	2,947	(2,643)	304	304	
13	2010		-	-	-	-	-	-	-	-	

Note: 1998 through 2000 are actuals as filed in D.T.E. 00-83; Post 2000 per revised forecast.

# Commonwealth Electric Company Variable Component \$ in Thousands

Year	Col. A	Actual Nuclear Decommission Obligations	Col. B	Actual Power Total	Col. C	Actual Power Contracts Market Value	Col. D	Actual Power Net Power Obligation	Col. E	Actual Transmission In Support Of Remote Generating Units	Col. F	Actual Above Market Fuel Transp Costs	Col. G	Actual Power Contract Buyouts	Col. H	Actual Payments In Lieu of Property Taxes	Col. I	Actual Severance and Retraining Costs	Col. J	Revenue Credits & Damages, or net Recoveries from Claims	Col. K	Other	Col. L	Rate Adjustment	Col. M	Reversal of Prior Year Rate Design Adjustment	Col. N	Actual Total Variable Component	Col. O
1998		\$ 2,422	\$ 196,126	\$ 95,353	\$ 100,773	\$ 2,689	\$ 781	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106,645	\$ -
1999		2,248	247,480	116,914	130,566	2,889	-	509	-	2,889	-	-	-	13,294	107	-	-	3,359	-	-	-	-	1,192	-	-	-	-	140,763	-
2000		892	254,837	126,820	126,017	2,890	-	-	-	2,890	-	-	-	12,741	1,862	-	-	(1)	-	-	(585)	-	1,759	-	-	-	-	140,503	-
2001		457	229,787	113,206	116,581	2,403	-	-	-	2,403	-	-	-	12,741	1,430	-	-	-	-	-	(1,035)	-	-	-	-	-	-	134,358	-
2002		542	228,417	108,686	118,731	2,568	-	-	-	2,568	-	-	-	12,741	1,430	-	-	-	-	-	-	-	-	-	-	-	-	136,012	-
2003		565	194,088	118,413	75,655	2,531	-	-	-	2,531	-	-	-	12,741	1,430	-	-	-	-	-	-	-	-	-	-	-	-	92,250	-
2004		588	201,672	131,258	70,414	2,431	-	-	-	2,431	-	-	-	2,124	1,375	-	-	-	-	-	-	-	-	-	-	-	-	77,659	-
2005		614	176,890	95,396	81,494	2,393	-	-	-	2,393	-	-	-	-	1,265	-	-	-	-	-	-	-	-	-	-	-	-	85,876	-
2006		639	181,500	98,068	83,442	2,234	-	-	-	2,234	-	-	-	-	860	-	-	-	-	-	-	-	-	-	-	-	-	87,580	-
2007		666	180,132	102,953	77,179	2,144	-	-	-	2,144	-	-	-	-	110	-	-	-	-	-	-	-	-	-	-	-	-	80,649	-
2008		695	169,227	103,484	65,743	2,125	-	-	-	2,125	-	-	-	-	110	-	-	-	-	-	-	-	-	-	-	-	-	68,673	-
2009		723	155,088	96,399	59,689	2,107	-	-	-	2,107	-	-	-	-	110	-	-	-	-	-	-	-	-	-	-	-	-	59,629	-
2010		754	158,866	103,821	55,045	2,069	-	-	-	2,069	-	-	-	-	110	-	-	-	-	-	-	-	-	-	-	-	-	58,008	-
2011		785	163,932	106,157	57,775	2,061	-	-	-	2,061	-	-	-	-	110	-	-	-	-	-	-	-	-	-	-	-	-	60,731	-
2012		819	158,749	97,008	58,741	2,047	-	-	-	2,047	-	-	-	-	55	-	-	-	-	-	-	-	-	-	-	-	-	62,662	-
2013		852	156,074	95,935	60,139	2,034	-	-	-	2,034	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63,025	-
2014		889	154,934	91,153	63,781	2,025	-	-	-	2,025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	66,894	-
2015		924	155,843	92,909	62,934	2,028	-	-	-	2,028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	65,888	-
2016		(14)	106,415	84,068	24,347	1,596	-	-	-	1,596	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,899	-
2017		(13)	40,612	28,717	11,895	1,709	-	-	-	1,709	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,591	-
2018		(13)	26,279	19,491	6,788	1,748	-	-	-	1,748	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,523	-
2019		(11)	25,527	21,358	4,169	1,790	-	-	-	1,790	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,948	-
2020		(11)	27,029	20,215	6,814	1,834	-	-	-	1,834	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,637	-
2021		(10)	27,514	20,552	6,962	2,338	-	-	-	2,338	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,290	-
2022		(9)	26,705	22,458	4,247	149	-	-	-	149	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,387	-
2023		(7)	22,098	16,981	5,115	151	-	-	-	151	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,259	-
2024		(7)	19,585	15,100	4,485	155	-	-	-	155	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,633	-
2025		(6)	18,376	16,988	1,378	157	-	-	-	157	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,529	-
2026		(4)	19,474	15,639	3,835	159	-	-	-	159	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,980	-

Legend:

- Col. B: Exh. 1, Page 6, Col. F.
- Col. C: 2001 - Exhibit COM-RAP-1 (Supp), Page 5, Line 16; 2002 - Exhibit COM-RAP-2 (Supp), Page 5, Line 16; D.T.E. 00-83, Exhibit COM-BKR-3.
- Col. D: 2001 - Exhibit COM-RAP-1 (Supp), Page 4, Line 20; 2002 - Exhibit COM-RAP-2 (Supp), Page 4, Line 20.
- Col. E: Col. C - Col. D.
- Col. F: Exh. 1, Page 7, Col. K.
- Col. G: Canal 2 gas line divested December 30, 1998.
- Col. H: CPC Lowell buyout payment, 34 months starting December 1999.
- Col. I: Commonwealth's 11% share of the Boston Edison Pilgrim property tax liability.
- Col. J: D.T.E. 00-83, Exhibit COM-BKR-3.
- Col. K: 2002 & 2001 Commonwealth's 11% share of the Boston Edison Pilgrim NEIL credit; 2001 SO2 emission allowance sale (\$613) and SO2 emission allowance auction (\$3).
- Col. L: 1998 & 2000 CE's 11% share of the BECO Pilgrim NCI; 2001 CE's Pilgrim ROE refund to BECO; 2000 CE's Pilgrim Settlement Refund.
- Col. M: Exhibit COM-HCL-6(Supp 2).
- Col. N: Reversal of Prior Year Rate Design Adjustment (-Col. M(prior year)).
- Col. O: Col. B + Col. C - Col. D + Col. F + Col. G + Col. H + Col. I + Col. J + Col. K + Col. L + Col. M + Col. N

# Commonwealth Electric Company Other Adjustments \$ in Thousands

Year	Interest on Lost Revenue	Col. B	Col. C	Fuel Charge Over-	Col. D	Regulatory Asset Adjustment	Col. E	EIS Return on Investment	Col. F	Mitigation Incentive Adjustment	Col. G	Gain on Sale of Utility Land	Col. H	Canal RVC Adjustment	Col. I	Transition Charge Mitigation Incentive	Col. J	Total Other Adjustments	Col. K
1998	\$ 220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (368)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (148)	
1999	-	-	-	-	-	(1,962)	-	(411)	-	(114)	-	-	-	-	-	1,608	-	(879)	
2000	-	-	(750)	(100)	-	-	-	(643)	-	217	-	(76)	-	-	-	1,009	-	(343)	
2001	-	-	-	-	-	(486)	-	-	-	82	-	-	-	(257)	-	1,440	-	779	
2002	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,248	-	1,248	
2003	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,312	-	1,312	
2004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,578	-	1,578	
2005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,840	-	1,840	
2006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,723	-	1,723	
2007	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,798	-	1,798	
2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,648	-	1,648	
2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,774	-	1,774	
2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,438	-	1,438	
2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,047	-	1,047	
2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	877	-	877	
2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	374	-	374	
2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	359	-	359	
2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	345	-	345	
2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	333	-	333	
2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	319	-	319	
2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	303	-	303	
2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	293	-	293	
2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	277	-	277	
2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	262	-	262	
2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	252	-	252	
2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	236	-	236	
2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	219	-	219	
2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	204	-	204	
2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	185	-	185	

Note: 1998 through 2001 are actuals.  
Col. E: 1999 - FAS 87 & FAS 106 Transition Obligations  
2001 Disallowances: Pilgrim Litigation - (\$479), Cannon St. Aband. - (\$3), Cannon St. Equity AFUDC - (\$4)  
Col. G: Sum of Col. I times negative 4% and Mitigation Incentive Adjustment Worksheet.  
Col. I: Capital Investment Depreciation Revision - (\$256), Lost Revenue Revision - \$325, Depreciation Revision - (\$326)  
Col. J: See Page 8, Column E.

Commonwealth Electric Company Share of  
Total Annual Decommissioning Cost  
\$ in Thousands

Year Col. A	Seabrook Unit 1 Col. B	Seabrook Unit 2 Col. C	Yankee Atomic Col. D	BEO Pilgrim Col. E	Total Col. F
1998 *	\$ 208	\$ -	\$1,002	\$1,212	\$2,422
1999 *	260	-	1,212	776	2,248
2000 *	291	-	601	-	892
2001 *	456	-	1	-	457
2002	564	(22)	-	-	542
2003	587	(22)	-	-	565
2004	610	(22)	-	-	588
2005	635	(21)	-	-	614
2006	660	(21)	-	-	639
2007	686	(20)	-	-	666
2008	714	(19)	-	-	695
2009	742	(19)	-	-	723
2010	772	(18)	-	-	754
2011	803	(18)	-	-	785
2012	835	(16)	-	-	819
2013	869	(17)	-	-	852
2014	903	(15)	-	-	888
2015	939	(15)	-	-	924
2016	-	(14)	-	-	(14)
2017	-	(13)	-	-	(13)
2018	-	(13)	-	-	(13)
2019	-	(11)	-	-	(11)
2020	-	(11)	-	-	(11)
2021	-	(10)	-	-	(10)
2022	-	(9)	-	-	(9)
2023	-	(7)	-	-	(7)
2024	-	(7)	-	-	(7)
2025	-	(6)	-	-	(6)
2026	-	(4)	-	-	(4)

\* Actual.  
Post 2001 from D.T.E. 00-83 except Seabrook 1 which is  
from revised forecast.



**Commonwealth Electric Company**  
**Transmission in Support of Remote Generation**  
**\$ in Thousands**

Year Col. A	Seabrook 1 Col. B	Hydro Quebec Phase 1 Col. C	Hydro Quebec Phase 2 Col. D	Wyman 4 Col. E	Collins Hydro Col. F	Pioneer Hydro Col. G	Chicopee Hydro Col. H	Short Term Col. I	NEPOOL Transmission Fund Col. J	Total Col. K
1998 *	\$171	\$325	\$1,822	\$15	\$0	\$0	\$0	\$143	\$193	\$2,669
1999 *	196	376	2,092	16	0	0	0	8	201	2,889
2000 *	199	372	1,937	20	0	0	0	0	152	2,680
2001 *	165	324	1,896	18	0	0	0	0	0	2,403
2002	188	330	2,032	18						2,568
2003	186	317	2,010	18						2,531
2004	184	306	1,924	17						2,431
2005	182	291	1,904	16						2,393
2006	180	153	1,885	16						2,234
2007	178	86	1,865	15						2,144
2008	175	88	1,847	15						2,125
2009	173	91	1,829	14						2,107
2010	171	94	1,813	21						2,099
2011	169	96	1,796							2,061
2012	167	99	1,781							2,047
2013	165	102	1,767							2,034
2014	163	104	1,758							2,025
2015	161	107	1,760							2,028
2016	111	111	1,344							1,566
2017	145	114	1,450							1,709
2018	145	117	1,486							1,748
2019	146	121	1,523							1,790
2020	147	125	1,562							1,834
2021	148	129	2,061							2,338
2022	149									149
2023	151									151
2024	155									155
2025	157									157
2026	159									159

\* Actual.  
Post 2001 per DTE 00-83.

Commonwealth Electric Company  
Total Mitigation  
\$ in Thousands

Year	Fixed Mitigation (Page 9) Col. A	Variable Mitigation (Page 10) Col. B	Variable Mitigation (Page 11) Col. C	Variable Mitigation (Page 12) Col. D	Total Col. E
1998	\$0	\$0	\$0	\$0	\$0
1999	1,321	(88)	375	0	1,608
2000	582	(262)	622	67	1,009
2001	247	(121)	781	533	1,440
2002	242	(114)	597	523	1,248
2003	237	(105)	670	510	1,312
2004	231	327	524	496	1,578
2005	226	419	712	483	1,840
2006	221	430	604	468	1,723
2007	216	439	687	456	1,798
2008	211	447	549	441	1,648
2009	206	464	677	427	1,774
2010		476	548	414	1,438
2011		0	647	400	1,047
2012		0	492	385	877
2013		0	0	374	374
2014		0	0	359	359
2015		0	0	345	345
2016		0	0	333	333
2017		0	0	319	319
2018		0	0	303	303
2019		0	0	293	293
2020		0	0	277	277
2021		0	0	262	262
2022		0	0	252	252
2023		0	0	236	236
2024		0	0	219	219
2025		0	0	204	204
2026		0	0	185	185

Commonwealth Electric Company  
Transition Charge Mitigation Incentive Mechanism

\$ in Thousands

Line		Estimate 1999	Estimate 2000	Estimate 2001	2002	2003	2004	2005	2006	2007	2008	2009
1	Residual Value Credit (Debit):											
2	Commonwealth (Exhibit 2, Page 35)	\$102	(\$142)	(\$167)	(\$161)	(\$155)	(\$148)	(\$142)	(\$136)	(\$129)	(\$123)	(\$113)
3	Canal (Exhibit 2, Page 36)	4,568	5,523	5,219	4,914	4,610	4,306	4,002	3,698	3,394	3,090	2,788
4	Canal (Exhibit 2, Page 37)	34,494	35,067	34,281	33,494	32,707	31,921	31,134	30,348	29,561	28,775	27,986
5	Commonwealth (Exhibit 2, Page 38) Lowell Buyout	0	0	0	0	0	0	0	0	0	0	0
6	Commonwealth (Exhibit 2, Page 39) Pilgrim Buyout	0	(12,299)	(11,998)	(11,723)	(11,448)	(11,173)	(10,898)	(10,621)	(10,346)	(10,071)	(9,802)
7	Commonwealth (Exhibit 2, Page 44) PREA Buyout	0	(265)	(259)	(254)	(248)	(242)	(236)	(230)	(225)	(219)	(208)
8	Commonwealth (Exhibit 2, Page 45) Seabrook Buydown	0	(7,506)	(15,387)	(15,034)	(14,681)	(14,328)	(13,975)	(13,622)	(13,269)	(12,915)	(12,563)
9	Commonwealth (Exhibit 2, Page 47) Cannon St. SO2 Cr.	0	0	0	0	0	0	0	0	0	0	0
10	Total	39,164	20,378	11,689	11,236	10,785	10,336	9,885	9,437	8,986	8,537	8,088
11												
12	Owned Generation per Compliance Filing:											
13	Commonwealth (Exhibit 2, Page 33)	323	308	292	276	260	244	228	212	196	180	160
14	Canal (Exhibit 2, Page 34)	5,827	5,523	5,219	4,914	4,610	4,306	4,002	3,698	3,394	3,090	2,788
15	Total	6,150	5,831	5,511	5,190	4,870	4,550	4,230	3,910	3,590	3,270	2,948
16												
17	Net Incremental Gain on Sale of Owned Gen (L10 - L15)	33,014	14,547	6,178	6,046	5,915	5,786	5,655	5,527	5,396	5,267	5,140
18												
19	Transition Charge Mitigation Incentive Mechanism @ 4%	\$1,321	\$582	\$247	\$242	\$237	\$231	\$226	\$221	\$216	\$211	\$206

Note: Exhibit 2 per D.T.E. 00-83 (Supp 2)

Column Notes:

EXH-COM-BKR-1(Settlement).xls

Commonwealth Electric Company  
Transition Charge Mitigation Incentive Mechanism - Pilgrim Contract Buyout

\$ in Thousands

Line	Year	Filed Case						Actual				Transition				Impact on Transition Charge (cents/kwh)				
		Nuclear Decommissioning		Power Contract		Assumed		Nuclear Decommissioning		Power Contract		Assumed		Future Power Contract			Mitigation		Charge Mitigation Incentive @ 4%	
	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M	Col. N	Col. O	Col. P				
1	7/1/99	\$1,704	\$17,059	\$9,050	\$8,009	\$9,713		\$9,377	\$9,050	\$327		\$327	\$9,386	\$375	3,647,187	0.01028				
2	2000	3,510	34,372	19,505	14,867	18,377		22,325	19,505	2,820		2,820	15,557	622	3,697,936	0.01682				
3	2001	3,616	34,320	18,146	16,174	19,790		18,402	18,146	256		256	19,534	781	3,890,602	0.02007				
4	2002	3,724	33,539	20,738	12,801	16,525		18,279	16,681	1,598		1,598	14,927	597	3,972,141	0.01503				
5	2003	3,836	33,707	18,883	14,824	18,660		11,238	9,325	1,913		1,913	16,747	670	4,051,584	0.01654				
6	2004	3,951	33,861	21,842	12,019	15,970		13,718	10,859	2,859		2,859	13,111	524	4,132,616	0.01268				
7	2005	4,069	34,135	20,405	13,730	17,799				0		0	17,799	712	4,215,268	0.01689				
8	2006	4,191	34,339	23,437	10,902	15,093				0		0	15,093	604	4,299,573	0.01405				
9	2007	4,317	34,655	21,791	12,864	17,181				0		0	17,181	687	4,385,564	0.01567				
10	2008	4,447	34,907	25,617	9,290	13,737				0		0	13,737	549	4,473,275	0.01227				
11	2009	4,580	35,300	22,947	12,353	16,933				0		0	16,933	677	4,562,741	0.01484				
12	2010	4,717	35,733	26,744	8,989	13,706				0		0	13,706	548	4,653,996	0.01177				
13	2011	4,859	36,082	24,756	11,326	16,185				0		0	16,185	647	4,747,076	0.01363				
14	2012	5,005	35,327	28,024	7,303	12,308				0		0	12,308	492	4,842,018	0.01016				
15	2013				0	0				0		0	0	0	4,938,858	0.00000				
16	2014				0	0				0		0	0	0	5,037,635	0.00000				
17	2015				0	0				0		0	0	0	5,138,388	0.00000				
18	2016				0	0				0		0	0	0	5,241,156	0.00000				
19	2017				0	0				0		0	0	0	5,345,979	0.00000				
20	2018				0	0				0		0	0	0	5,452,899	0.00000				
21	2019				0	0				0		0	0	0	5,561,957	0.00000				
22	2020				0	0				0		0	0	0	5,673,196	0.00000				
23	2021				0	0				0		0	0	0	5,786,680	0.00000				
24	2022				0	0				0		0	0	0	5,902,393	0.00000				
25	2023				0	0				0		0	0	0	6,020,441	0.00000				
26	2024				0	0				0		0	0	0	6,140,850	0.00000				
27	2025				0	0				0		0	0	0	6,263,667	0.00000				
28	2026				0	0				0		0	0	0	6,388,940	0.00000				

Column Notes:

- Col. B: Restated per new Pilgrim decommissioning forecast in DTE 98-126.  
Col. C: See DTE 98-78, Schedule 1, Page 11, Column (1).  
Col. D: See DTE 98-78, Schedule 1, Page 12, Column (1) times NERA Base Load Market Forecast.  
Col. E: Col. C - Col. D.  
Col. F: Col. B + Col. E.  
See DTE 98-126 for revised amounts for Cols. G through K.  
Col. L: Sum of Cols. G, J, and K.  
Col. M: Col. F - Col. L.  
Col. N: Col. M Multiplied by 4%.  
Col. O: 1999 and 2000 per D.T.E. 99-90, 2001 per D.T.E. 00-83, Post 2001 see Page 1, Col. B.  
Col. P: Col. N/Col. O Multiplied by 100.

Commonwealth Electric Company  
Transition Charge Mitigation Incentive Mechanism - Seabrook Buydown  
\$ in Thousands

Line	Year Col. A	Filed Case			Actual			Transition Charge Mitigation Incentive @ 4% Col. N			Impact on Transition Charge (cents/kwh) Col. P	
		Nuclear Decommissioning Costs Col. B	Power Contract Obligation Col. C	Assumed Market Value Col. D	Assumed Excess Over Market Col. E	Total Filed Case Col. F	Nuclear Decommissioning Costs Col. G	Power Contract Obligation Col. H	Assumed Market Value Col. I	Assumed Excess Over Market Col. J	Future Power Contract Buyouts Col. K	Total Mitigation Col. M
1	2000		\$26,769	\$8,127	\$18,642	\$18,642		\$25,091	\$8,127	\$16,964		\$1,678
2	2001		25,385	9,367	16,018	16,018		12,055	9,367	2,688		13,330
3	2002		25,882	8,662	17,220	17,220		12,804	8,662	4,142		13,078
4	2003		25,689	8,813	16,876	16,876		12,950	8,813	4,137		12,739
5	2004		24,848	10,091	14,757	14,757		12,438	10,091	2,347		12,410
6	2005		25,333	9,523	15,810	15,810		13,267	9,523	3,744		12,066
7	2006		25,170	9,789	15,381	15,381		13,472	9,789	3,683		11,698
8	2007		24,321	11,249	13,072	13,072		12,927	11,249	1,678		11,394
9	2008		24,889	10,700	14,189	14,189		13,862	10,700	3,162		11,027
10	2009		24,779	10,709	14,070	14,070		14,103	10,709	3,394		10,676
11	2010		23,871	12,355	11,516	11,516		13,514	12,355	1,159		10,357
12	2011		24,569	11,554	13,015	13,015		14,559	11,554	3,005		10,010
13	2012		24,473	11,705	12,768	12,768		14,840	11,705	3,135		9,633
14	2013		23,551	13,184	10,367	10,367		14,204	13,184	1,020		9,347
15	2014		24,355	12,242	12,113	12,113		15,381	12,242	3,139		8,974
16	2015		24,331	12,564	11,767	11,767		15,715	12,564	3,151		8,616
17	2016		23,343	14,310	9,033	9,033		15,027	14,310	717		8,316
18	2017		24,310	13,316	10,994	10,994		16,347	13,316	3,031		7,963
19	2018		24,315	13,589	10,726	10,726		16,739	13,589	3,150		7,576
20	2019		23,302	15,336	7,966	7,966		15,987	15,336	651		7,315
21	2020		24,414	14,094	10,320	10,320		17,489	14,094	3,395		6,925
22	2021		24,524	14,329	10,195	10,195		17,974	14,329	3,645		6,550
23	2022		23,481	16,126	7,335	7,335		17,165	16,126	1,039		6,296
24	2023		24,818	14,834	9,984	9,984		18,916	14,834	4,082		5,902
25	2024		25,055	15,100	9,955	9,955		19,585	15,100	4,485		5,470
26	2025		23,479	16,998	6,481	6,481		18,376	16,998	1,378		5,103
27	2026		24,106	15,639	8,467	8,467		19,474	15,639	3,835		4,632

Column Notes:

- Col. C: See DTE 98-78, Schedule 1, Page 11, Column (2).  
Col. D: See DTE 98-78, Schedule 1, Page 12, Column (2) times NERA Base Load Market Forecast.  
Col. E: Col. C - Col. D.  
Col. F: Col. B + Col. E.  
Col. L: Sum of Cols. G, J, and K.  
Col. M: Col. F - Col. L.  
Col. N: Col. M Multiplied by 4%.  
Col. O: 2000 per D.T.E. 99-90, 2001 per D.T.E. 00-83, Post 2001 see Page 1, Col. B.  
Col. P: Col. N/Col. O Multiplied by 100.

Commonwealth Electric Company  
Summary of Transition Charges  
Fixed Component

\$ in Thousands

Line	Year (1)	Commonwealth Electric Company Pre-Tax Return on Generation Related Investment and Regulatory Assets (2)	Commonwealth Electric Company Amortization of Generation Related Investment and Regulatory Assets (3)	Canal Electric Company Pre-Tax Return on Generation Related Investment and Regulatory Assets (4)	Canal Electric Company Amortization of Generation Related Investment and Regulatory Assets (5)	Base Total Fixed Component (6)	Adjustment For Residual Value Credit (7)	Net Fixed Component Including Adjustment For Residual Value Credit (8)
1	1998	\$2,295	\$3,416	\$2,978	\$1,933	\$10,622	\$0	\$10,622
2	1/99-8/99	1,243	2,402	2,237	1,784	7,666	(21,187)	(13,521)
3	9/99-12/99	54	52	1,026	878	2,010	(10,593)	(8,583)
4	2000	151	157	2,889	2,833	5,830	(18,478)	(12,648)
5	2001	135	157	2,585	2,633	5,510	(4,807)	(1,297)
6	2002	119	157	2,281	2,633	5,190	(4,621)	(3,431)
7	2003	103	157	1,977	2,633	4,870	(4,338)	(3,468)
8	2004	87	157	1,673	2,633	4,560	(4,056)	(3,486)
9	2005	71	157	1,369	2,633	4,230	(3,702)	(3,472)
10	2006	55	157	1,065	2,633	3,910	(3,327)	(3,167)
11	2007	39	157	761	2,633	3,590	(2,908)	(2,719)
12	2008	23	157	457	2,633	3,270	(2,527)	(2,369)
13	2009	8	152	152	2,635	2,947	(2,643)	(366)
14	2010							
15	2011							
16	2012							
17	2013							
18	2014							
19	2015							
20	2016							
21	2017							
22	2018							
23	2019							
24	2020							
25	2021							
26	2022							
27	2023							
28	2024							
29	2025							
30	2026							

Column Notes:

- (2) See Pages 19 to 22 and 25 to 29, Column (6).
- (3) For 2000, Column (3) = (Page 6, Column (4), Line 6)/9. For 2001-2009, same as 2000.
- (4) See Pages 23 to 24 and 30 to 31, Column (6).
- (5) For 2000, Column (5) = (Page 10, Column (4), Line 6)/9. For 2001-2009, same as 2000.
- (6) Sum of Columns (2) through (5).
- (7) See Page 32, Line 13.
- (8) Column (6) + Column (7).

Commonwealth Electric Company's Generation Facilities  
Net Capability and Unrecovered Costs  
as of December 31, 1995

Source	Location	Year (s) Placed In-Service	Energy Source	Net Capability (MW)	1995	\$ in Thousands		1/1/99	1/1/00	Applicable Annual Amortization 2000 and Beyond
(1)	(2)	(3)	(4)	(5)	(6)	3/1/98	(7)	(8)	(9)	(10)
Fossil Fuel Units:										
Wyman 4	Yarmouth, ME	1978	Oil	9	\$1,296	\$1,088		\$1,021	\$928	\$93
Diesels	Martha's Vineyard, MA	1968-1972	Diesel	14	280	176		165	150	15
Step-Up Transformers at Generation Facilities (Not Included in Transmission Rates)										
General Plant Allocated to Generation					172	151		142	129	13
Generation Related Property Held for Future Use and Non-Utility Property					466	420		394	358	36
					0	0		0	0	0
Total				23	\$2,214	\$1,835		\$1,722	\$1,565	\$157



Commonwealth Electric Company  
Canal Electric Company's Generation Facilities  
Net Capability and Unrecovered Costs  
as of December 31, 1995

Source	Location	Year (s) Placed In-Service	Energy Source	Net Capability (MW)	1995	\$ in Thousands			1/1/00	Applicable Annual Amortization 2000 and Beyond
(1)	(2)	(3)	(4)	(5)	(6)	3/1/98	1/1/99	(8)	(9)	(10)
Fossil Fuel Units:										
Canal 1	Sandwich, MA	1968	Oil	112	\$8,156	\$5,636	\$5,291		\$4,810	\$481
Canal 2	Sandwich, MA	1976	Oil - Gas	234	20,696	24,723	23,206		21,096	2,110
Step-Up Transformers at Generation Facilities (Not Included in Transmission Rates)										
General Plant Allocated to Generation					419	323	303		275	27
Total					212	176	165		150	15
					346	\$29,483	\$30,858	\$28,965	\$26,331	\$2,633

Commonwealth Electric Company Generation Related  
Regulatory Asset Balances

\$ in Thousands

	December 31, 1995 (1)	March 1, 1998 (2)	January 1, 1999 (3)	July 1, 1999 (4)	Applicable Annual Amortization 2000 and Beyond (5)	Basis for Deferral (6)
PBOP's - FAS 106 (13.49% Investment)	\$0	\$0	\$0	\$138	\$0	
FAS 106 Transition Obligation (6.5% Investment)	0	0	0	1,024	0	
Pension Costs (13.49% Investment)	0	0	0	129	0	
FAS 87 Transition Obligation (6.5% Investment)	0	0	0	338	0	
Pilgrim 1 Litigation (0% Investment)	6,644	5,870	5,510	5,260	0	Settlement Agreement
Fuel Stabilization (Prime less 2% times 1.5 Investment)	20,911	26,779	25,137	27,817	0	Settlement Agreement
Base Rate Roll-in (13.49% Investment)	1,152	(768)	(721)	(1,835)	0	Settlement Agreement
Cannon Street Abandonment (0% Investment)	4,058	4,005	3,759	3,473	0	FERC Ratemaking Policy
Cannon Street Asbestos (13.49% Investment)	452	452	424	521	0	FERC Ratemaking Policy
CLM - RCS Settlement (13.49% Investment)	1,984	540	507	153	0	Settlement Agreement
Pepperell Buyout (Prime less 2% times 1.5 Investment)	23,838	17,023	15,979	15,277	0	Settlement Agreement
Tenaska Buyout (Prime Rate Investment)	803	417	391	373	0	Settlement Agreement
Deferred Income Taxes-Seabrook 1 (13.49% Investment)	(4,887)	(349)	(328)	(313)	0	Settlement Agreement
Performance Imprudencies (13.49% Investment)	(1,719)	(123)	(115)	(110)	0	Settlement Agreement
EPA Allowances - Cannon St. (13.49% Investment)	0	0	0	(4)	0	
Total Regulatory Assets	\$53,236	\$53,846	\$50,543	\$52,241	\$0	

Commonwealth Electric Company  
Canal Electric Company Generation Related  
Regulatory Asset Balances

\$ in Thousands

	December 31, 1995	March 1, 1998	January 1, 1999	July 1, 1999	Applicable Annual Amortization 2000 and Beyond	Basis for Deferral
	(1)	(2)	(3)	(4)	(5)	(6)
FAS 106 Transition Obligation - Canal 1 (6.5% Investment)	\$1,939	\$1,542	\$1,447	\$1,725	\$0	FERC Ratemaking Policy
FAS 106 Transition Obligation - Canal 2 (6.5% Investment)	1,939	1,542	1,447	1,725	0	FERC Ratemaking Policy
FAS 87 Transition Obligation - Canal 1 (6.5% Investment)	(1,026)	(852)	(800)	2,242	0	FERC Ratemaking Policy
FAS 87 Transition Obligation - Canal 2 (6.5% Investment)	(1,026)	(852)	(800)	2,242	0	FERC Ratemaking Policy
Unamortized Debt Expense - Canal 1 (13.29% Investment)	24	19	18	15	0	FERC Ratemaking Policy
Unamortized Debt Expense - Canal 2 (13.29% Investment)	26	20	19	16	0	FERC Ratemaking Policy
Unamortized Debt Premium - Canal 1 (13.29% Investment)	(2)	(2)	(1)	(1)	0	FERC Ratemaking Policy
Unamortized Debt Premium - Canal 2 (13.29% Investment)	(2)	(2)	(2)	(1)	0	FERC Ratemaking Policy
EPA Allowances - Canal 1 (13.29% Investment)	(69)	(20)	(19)	(28)	0	FERC Ratemaking Policy
EPA Allowances - Canal 2 (13.29% Investment)	(50)	(59)	(54)	(83)	0	FERC Ratemaking Policy
Total Regulatory Assets	\$1,753	\$1,336	\$1,255	\$7,852	\$0	
COM/Electric Share	1,068	820	770	4,875	0	
Cambridge 80.06% Allocation (b)	\$855	\$656	\$616	\$3,903	\$0	

(b) These amounts represents Cambridge Electric Light's portion (80.06%) of affiliate Canal Electric Company's regulatory assets/liabilities. Canal Electric is entitled to 25% of the output of Canal 1 and is a 50% joint owner of Canal 2.

Commonwealth Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component (13.49% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Regulatory Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)		
1	3/1/98	\$1,835	(\$248)	\$1,587	\$684	\$0	\$684	\$903	\$354
2	12/31/98	1,722	(233)	1,489	629	6	635	854	335
3	6/30/99	1,643	(221)	1,422	600	6	606	816	320
4	8/31/99	1,617	0	1,617	590	0	590	1,027	403
5	12/31/99	1,565	0	1,565	571	0	571	994	390
6	2000	1,408	0	1,408	514	0	514	894	351
7	2001	1,251	0	1,251	457	0	457	794	311
8	2002	1,094	0	1,094	400	0	400	694	272
9	2003	937	0	937	343	0	343	594	233
10	2004	780	0	780	286	0	286	494	194
11	2005	623	0	623	229	0	229	394	155
12	2006	466	0	466	172	0	172	294	115
13	2007	309	0	309	115	0	115	194	76
14	2008	152	0	152	58	0	58	94	37
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) See Page 4, Columns (2) and (3) for 1998 13.49% Regulatory Asset Balances. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Commonwealth Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component (0% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis				
		Balance Net Book Value of Generation (2)	Balance Generation Related Regulatory Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)	Excess Book Over Tax (8)	Deferred Taxes (9)
1	3/1/98	\$0	\$9,875	\$9,875	\$0	\$4,683	\$4,683	\$5,192	\$2,037
2	12/31/98	0	9,269	9,269	0	4,353	4,353	4,916	1,928
3	6/30/99	0	8,847	8,847	0	4,155	4,155	4,692	1,840
4	8/31/99	0	0	0	0	0	0	0	0
5	12/31/99	0	0	0	0	0	0	0	0
6	2000	0	0	0	0	0	0	0	0
7	2001	0	0	0	0	0	0	0	0
8	2002	0	0	0	0	0	0	0	0
9	2003	0	0	0	0	0	0	0	0
10	2004	0	0	0	0	0	0	0	0
11	2005	0	0	0	0	0	0	0	0
12	2006	0	0	0	0	0	0	0	0
13	2007	0	0	0	0	0	0	0	0
14	2008	0	0	0	0	0	0	0	0
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) See Page 4, Columns (2) and (3) for 1998 0% Regulatory Asset Balances. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Commonwealth Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component (Prime less 2% times 1.5 Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis				
		Balance Net Book Value of Generation (2)	Balance Generation Related Regulatory Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)	Excess Book Over Tax (8)	Deferred Taxes (9)
1	3/1/98	\$0	\$43,802	\$43,802	\$0	\$0	\$0	\$43,802	\$17,181
2	8/31/98	0	42,190	42,190	0	0	0	42,190	16,549
3	9/30/98	0	41,922	41,922	0	0	0	41,922	16,444
4	10/31/98	0	41,653	41,653	0	0	0	41,653	16,338
5	12/31/98	0	41,116	41,116	0	0	0	41,116	16,128
6	6/30/99	0	39,247	39,247	0	0	0	39,247	15,395
7	8/31/99	0	0	0	0	0	0	0	0
8	12/31/99	0	0	0	0	0	0	0	0
9	2000	0	0	0	0	0	0	0	0
10	2001	0	0	0	0	0	0	0	0
11	2002	0	0	0	0	0	0	0	0
12	2003	0	0	0	0	0	0	0	0
13	2004	0	0	0	0	0	0	0	0
14	2005	0	0	0	0	0	0	0	0
15	2006	0	0	0	0	0	0	0	0
16	2007	0	0	0	0	0	0	0	0
17	2008	0	0	0	0	0	0	0	0
18	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) See Page 8, Columns (2) and (3) for 1998 Prime less 2% times 1.5 Regulatory Asset Balances. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Commonwealth Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component (Prime Rate Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Regulatory Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)		
1	3/1/98	\$0	\$417	\$417	\$0	\$417	\$417	\$0	\$0
2	8/31/98	0	401	401	0	399	399	2	1
3	9/30/98	0	399	399	0	396	396	3	1
4	10/31/98	0	396	396	0	393	393	3	1
5	12/31/98	0	391	391	0	387	387	4	2
6	6/30/99	0	373	373	0	369	369	4	2
7	8/31/99	0	0	0	0	0	0	0	0
8	12/31/99	0	0	0	0	0	0	0	0
9	2000	0	0	0	0	0	0	0	0
10	2001	0	0	0	0	0	0	0	0
11	2002	0	0	0	0	0	0	0	0
12	2003	0	0	0	0	0	0	0	0
13	2004	0	0	0	0	0	0	0	0
14	2005	0	0	0	0	0	0	0	0
15	2006	0	0	0	0	0	0	0	0
16	2007	0	0	0	0	0	0	0	0
17	2008	0	0	0	0	0	0	0	0
18	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) See Page 4, Columns (2) and (3) for 1998 Prime Rate Regulatory Asset Balances. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Commonwealth Electric Company  
Canal Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component (13.29% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Regulatory Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)		
1	3/1/98	\$30,858	(\$35)	\$30,823	\$21,243	\$28	\$21,271	\$9,552	\$3,747
2	12/31/98	28,965	(\$32)	28,933	19,304	25	19,329	9,604	3,767
3	6/30/99	27,648	(31)	27,617	18,267	23	18,290	9,327	3,659
4	8/31/99	27,210	0	27,210	17,921	0	17,921	9,289	3,644
5	12/31/99	26,332	0	26,332	17,230	0	17,230	9,102	3,570
6	2000	23,699	0	23,699	15,507	0	15,507	8,192	3,213
7	2001	21,066	0	21,066	13,784	0	13,784	7,282	2,856
8	2002	18,433	0	18,433	12,061	0	12,061	6,372	2,499
9	2003	15,800	0	15,800	10,338	0	10,338	5,462	2,142
10	2004	13,167	0	13,167	8,615	0	8,615	4,552	1,786
11	2005	10,534	0	10,534	6,892	0	6,892	3,642	1,429
12	2006	7,901	0	7,901	5,169	0	5,169	2,732	1,072
13	2007	5,268	0	5,268	3,446	0	3,446	1,822	715
14	2008	2,635	0	2,635	1,723	0	1,723	912	358
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 3, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (5) Current Year.
- (3) See Page 5, Column (2) and (3) for 1998 13.29% Regulatory Asset Balances. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.



Commonwealth Electric Company  
Canal Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component (6.5% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Assets (6)	Total Tax Basis (7)		
1	3/1/98	\$0	691	\$691	\$0	\$691	\$691	\$0	\$0
2	12/31/98	0	648	648	0	643	643	5	2
3	6/30/99	0	618	618	0	614	614	4	2
4	8/31/99	0	0	0	0	0	0	0	0
5	12/31/99	0	0	0	0	0	0	0	0
6	2000	0	0	0	0	0	0	0	0
7	2001	0	0	0	0	0	0	0	0
8	2002	0	0	0	0	0	0	0	0
9	2003	0	0	0	0	0	0	0	0
10	2004	0	0	0	0	0	0	0	0
11	2005	0	0	0	0	0	0	0	0
12	2006	0	0	0	0	0	0	0	0
13	2007	0	0	0	0	0	0	0	0
14	2008	0	0	0	0	0	0	0	0
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 3, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (5) Current Year.
- (3) See Page 5, Columns (2) and (3) for 1998 6.5% Regulatory Asset Balances. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

**Commonwealth Electric Company**  
**Summary of Transition Charges**  
**Deferred Taxes on Fixed Component Adjustment (0% Investment)**

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Regulatory Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)		
1	3/1/98	\$0	(\$598)	(\$598)	\$0	\$0	\$0	(\$598)	(\$235)
2	12/31/98	0	(752)	(752)	0	0	0	(752)	(295)
3	6/30/99	0	(596)	(596)	0	0	0	(596)	(234)
4	8/31/99	0	0	0	0	0	0	0	0
5	12/31/99	0	0	0	0	0	0	0	0
6	2000	0	0	0	0	0	0	0	0
7	2001	0	0	0	0	0	0	0	0
8	2002	0	0	0	0	0	0	0	0
9	2003	0	0	0	0	0	0	0	0
10	2004	0	0	0	0	0	0	0	0
11	2005	0	0	0	0	0	0	0	0
12	2006	0	0	0	0	0	0	0	0
13	2007	0	0	0	0	0	0	0	0
14	2008	0	0	0	0	0	0	0	0
15	2009	0	0	0	0	0	0	0	0

**Column Notes:**

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) For 0% Regulatory Assets, subtract Page 4 from DTE 99-90, Schedule 1 Attachment, ACTRA-WP2.  
Also includes \$479K Pilgrim Litigation and \$3K Cannon Street Abandonment Disallowances. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

**Commonwealth Electric Company**  
**Summary of Transition Charges**  
**Deferred Taxes on Fixed Component Adjustment (Prime less 2% times 1.5 Investment)**

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Assets (6)	Total Tax Basis (7)	Excess Book Over Tax (8)
1	3/1/98	\$0	\$3,847	\$3,847	\$0	\$0	\$0	\$1,509
2	8/31/98	0	3,421	3,421	0	0	0	1,342
3	9/30/98	0	3,351	3,351	0	0	0	1,314
4	10/31/98	0	3,280	3,280	0	0	0	1,287
5	12/31/98	0	3,138	3,138	0	0	0	1,231
6	6/30/99	0	3,849	3,849	0	0	0	1,510
7	8/31/99	0	0	0	0	0	0	0
8	12/31/99	0	0	0	0	0	0	0
9	2000	0	0	0	0	0	0	0
10	2001	0	0	0	0	0	0	0
11	2002	0	0	0	0	0	0	0
12	2003	0	0	0	0	0	0	0
13	2004	0	0	0	0	0	0	0
14	2005	0	0	0	0	0	0	0
15	2006	0	0	0	0	0	0	0
16	2007	0	0	0	0	0	0	0
17	2008	0	0	0	0	0	0	0
18	2009	0	0	0	0	0	0	0

**Column Notes:**

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) For Prime less 2% times 1.5 Regulatory Assets, subtract Page 4 from DTE 99-90, Schedule 1 Attachment, ACTRA-WP2. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Commonwealth Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component Adjustment (13.49% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis				
		Balance Net Book Value of Generation (2)	Balance Generation Related Regulatory Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)	Excess Book Over Tax (8)	Deferred Taxes (9)
1	3/1/98	\$0	(\$1,115)	(\$1,115)	\$0	\$0	\$0	(\$1,115)	(\$437)
2	12/31/98	0	(1,295)	(1,295)	0	0	0	(1,295)	(508)
3	6/30/99	0	(1,098)	(1,098)	0	0	0	(1,098)	(431)
4	8/31/99	0	0	0	0	0	0	0	0
5	12/31/99	0	0	0	0	0	0	0	0
6	2000	0	0	0	0	0	0	0	0
7	2001	0	0	0	0	0	0	0	0
8	2002	0	0	0	0	0	0	0	0
9	2003	0	0	0	0	0	0	0	0
10	2004	0	0	0	0	0	0	0	0
11	2005	0	0	0	0	0	0	0	0
12	2006	0	0	0	0	0	0	0	0
13	2007	0	0	0	0	0	0	0	0
14	2008	0	0	0	0	0	0	0	0
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) For 13.49% Regulatory Assets, subtract Page 4 from DTE 99-90, Schedule 1 Attachment, ACTRA-WP2.  
For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Commonwealth Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component Adjustment (Prime Rate Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Assets (6)	Total Tax Basis (7)	
1	3/1/98	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	8/31/98	0	(93)	(93)	0	0	0	(36)
3	9/30/98	0	(109)	(109)	0	0	0	(43)
4	10/31/98	0	(124)	(124)	0	0	0	(49)
5	12/31/98	0	(125)	(125)	0	0	0	(49)
6	6/30/99	0	0	0	0	0	0	0
7	8/31/99	0	0	0	0	0	0	0
8	12/31/99	0	0	0	0	0	0	0
9	2000	0	0	0	0	0	0	0
10	2001	0	0	0	0	0	0	0
11	2002	0	0	0	0	0	0	0
12	2003	0	0	0	0	0	0	0
13	2004	0	0	0	0	0	0	0
14	2005	0	0	0	0	0	0	0
15	2006	0	0	0	0	0	0	0
16	2007	0	0	0	0	0	0	0
17	2008	0	0	0	0	0	0	0
18	2009	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year
- (3) For Prime Rate Regulatory Assets, subtract Page 4 from DTE 99-90, Schedule 1 Attachment, ACTRA-WP2.  
For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

**Commonwealth Electric Company**  
**Summary of Transition Charges**  
**Deferred Taxes on Fixed Component Adjustment (6.5% Investment)**

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis				Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Generation Related Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Assets (6)	Total Tax Basis (7)	Excess Book Over Tax (8)	
1	3/1/98	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	12/31/98	0	1,436	1,436	0	0	0	1,436	563
3	6/30/99	0	1,436	1,436	0	0	0	1,436	563
4	8/31/99	0	0	0	0	0	0	0	0
5	12/31/99	0	0	0	0	0	0	0	0
6	2000	0	0	0	0	0	0	0	0
7	2001	0	0	0	0	0	0	0	0
8	2002	0	0	0	0	0	0	0	0
9	2003	0	0	0	0	0	0	0	0
10	2004	0	0	0	0	0	0	0	0
11	2005	0	0	0	0	0	0	0	0
12	2006	0	0	0	0	0	0	0	0
13	2007	0	0	0	0	0	0	0	0
14	2008	0	0	0	0	0	0	0	0
15	2009	0	0	0	0	0	0	0	0

**Column Notes:**

- (2) See Page 2, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (3) Current Year.
- (3) For 6.5% Regulatory Assets, subtract Page 4 from DTE 99-90, Schedule 1 Attachment, ACTRA-WP2.  
Also includes FAS 87 Transition Obligation Adjustment. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

Commonwealth Electric Company  
Canal Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component Adjustment (13.29% Investment)

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis		
		Balance Net Book Value of Generation (2)	Balance Generation Related Assets (3)	Total Net Book Basis (4)	Balance Net Book Value of Generation (5)	Balance Generation Related Assets (6)	Total Tax Basis (7)
						Excess Book Over Tax (8)	Deferred Taxes (9)
1	3/1/98	\$0	(18)	(\$18)	\$0	(\$18)	(\$7)
2	12/31/98	0	(36)	(36)	0	(36)	(14)
3	6/30/99	0	(38)	(38)	0	(38)	(15)
4	8/31/99	0	0	0	0	0	0
5	12/31/99	0	0	0	0	0	0
6	2000	0	0	0	0	0	0
7	2001	0	0	0	0	0	0
8	2002	0	0	0	0	0	0
9	2003	0	0	0	0	0	0
10	2004	0	0	0	0	0	0
11	2005	0	0	0	0	0	0
12	2006	0	0	0	0	0	0
13	2007	0	0	0	0	0	0
14	2008	0	0	0	0	0	0
15	2009	0	0	0	0	0	0

Column Notes:

- (2) See Page 3, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (5) Current Year
- (3) For 13.29% Regulatory Asset, subtract Page 5 from DTE 99-90, Schedule 1 Attachment, ACTRA-WP4.  
For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.

**Commonwealth Electric Company  
Canal Electric Company  
Summary of Transition Charges  
Deferred Taxes on Fixed Component Adjustment (6.5% Investment)**

\$ in Thousands

Line	Year End (1)	Book Basis			Tax Basis			Excess Book Over Tax (8)	Deferred Taxes (9)
		Balance Net Book Value of Generation (2)	Balance Net Book Value of Generation (5)	Total Net Book Basis (4)	Balance Generation Related Regulatory Assets (3)	Balance Generation Related Regulatory Assets (6)	Total Tax Basis (7)		
1	3/1/98	\$0	\$0	\$0	0	\$0	\$0	\$0	\$0
2	12/31/98	0	0	3,118	3,118	0	0	3,118	1,223
3	6/30/99	0	0	3,099	3,099	0	0	3,099	1,216
4	8/31/99	0	0	0	0	0	0	0	0
5	12/31/99	0	0	0	0	0	0	0	0
6	2000	0	0	0	0	0	0	0	0
7	2001	0	0	0	0	0	0	0	0
8	2002	0	0	0	0	0	0	0	0
9	2003	0	0	0	0	0	0	0	0
10	2004	0	0	0	0	0	0	0	0
11	2005	0	0	0	0	0	0	0	0
12	2006	0	0	0	0	0	0	0	0
13	2007	0	0	0	0	0	0	0	0
14	2008	0	0	0	0	0	0	0	0
15	2009	0	0	0	0	0	0	0	0

Column Notes:

- (2) See Page 3, Column (9) for 12/31/99 balance. For 2000-2009, Column (2) Prior Year - Page 1, Column (5) Current Year.
- (3) For 6.5% Regulatory Assets, subtract Page 5 from DTE 99-90, Schedule 1 Attachment, ACTRA-WP4.  
Also includes FAS 87 Transition Obligation Adjustment. For 2000-2009, 0.
- (4) Column (2) + Column (3).
- (5) Per tax records of the Company.
- (6) Per tax records of the Company.
- (7) Column (5) + Column (6).
- (8) Column (4) - Column (7).
- (9) Column (8) times tax rate of 39.225%.



Commonwealth Electric Company  
Summary of Transition Charges  
Return on Fixed Component (13.49% Investment)

\$ in Thousands

Base Return					
Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)
					Annual Return on Unamortized Balance Using Base ROE (6)
1	3/1/98	\$1,587	\$354	\$1,233	
2	12/31/98	1,489	335	1,154	134
3	6/30/99	1,422	320	1,102	76
4	8/31/99	1,617	403	1,214	28
5	12/31/99	1,565	390	1,175	54
6	2000	1,408	351	1,057	151
7	2001	1,251	311	940	135
8	2002	1,094	272	822	119
9	2003	937	233	704	103
10	2004	780	194	586	87
11	2005	623	155	468	71
12	2006	466	115	351	55
13	2007	309	76	233	39
14	2008	152	37	115	23
15	2009	0	0	0	8

Base Return Component		Year End 1995
<b>Capital Structure:</b>		
LTD - Taxable		47.75%
Preferred		0.00%
Common Equity		52.25%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		8.82%
Preferred		0.00%
Common Equity		10.80%
		<u>9.85%</u>
<b>Total Weighted Cost Rate</b>		
<b>Reimbursement for Taxes on Equity Component</b>		3.64%
<b>Total Rate of Return</b>		13.49%

Column Notes:

- (2) See Page 6, Column (4).
- (3) See Page 6, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Total Rate of Return of 13.49%.

Commonwealth Electric Company  
Summary of Transition Charges  
Return on Fixed Component (0% Investment)

\$ in Thousands

Base Return						
Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	Annual Return on Unamortized Balance Using Base ROE (6)
1	3/1/98	\$9,875	\$2,037	\$7,838		
2	12/31/98	9,269	1,928	7,341	7,590	0
3	6/30/99	8,847	1,840	7,007	7,174	0
4	8/31/99	0	0	0	3,504	0
5	12/31/99	0	0	0	0	0
6	2000	0	0	0	0	0
7	2001	0	0	0	0	0
8	2002	0	0	0	0	0
9	2003	0	0	0	0	0
10	2004	0	0	0	0	0
11	2005	0	0	0	0	0
12	2006	0	0	0	0	0
13	2007	0	0	0	0	0
14	2008	0	0	0	0	0
15	2009	0	0	0	0	0

Column Notes:

- (2) See Page 7, Column (4).
- (3) See Page 7, Column (9).
- (4) Column (2) - Column (3).
- (5) Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Allowable Rate of Return of 0%.

Base Return Component		Year End
Capital Structure:		1995
LTD - Taxable		47.75%
Preferred		0.00%
Common Equity		52.25%
		<u>100.00%</u>
Cost Rates:		
LTD - Taxable		8.82%
Preferred		0.00%
Common Equity		10.80%
Total Weighted Cost Rate		<u>9.85%</u>
Reimbursement for Taxes on Equity Component		3.64%
Total Rate of Return		13.49%
Allowable Rate of Return		0.00%

**Commonwealth Electric Company**  
**Summary of Transition Charges**  
**Return on Fixed Component (Prime less 2% times 1.5 Investment)**

\$ in Thousands

Line	Year End (1)	Base Return				Annual Return on Unamortized Balance Using Base ROE (6)	Year End 1995
		Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)		
1	3/1/98	\$43,802	\$17,181	\$26,621			
2	8/31/98	42,190	16,549	25,641	26,131	1,274	
3	9/30/98	41,922	16,444	25,478	25,560	200	
4	10/31/98	41,653	16,338	25,315	25,397	190	
5	12/31/98	41,116	16,128	24,988	25,152	362	
6	6/30/99	39,247	15,395	23,852	24,420	1,054	
7	8/31/99	0	0	0	11,926	0	
8	12/31/99	0	0	0	0	0	
9	2000	0	0	0	0	0	
10	2001	0	0	0	0	0	
11	2002	0	0	0	0	0	
12	2003	0	0	0	0	0	
13	2004	0	0	0	0	0	
14	2005	0	0	0	0	0	
15	2006	0	0	0	0	0	
16	2007	0	0	0	0	0	
17	2008	0	0	0	0	0	
18	2009	0	0	0	0	0	

Base Return Component		Year End
<b>Capital Structure:</b>		1995
LTD - Taxable		47.75%
Preferred		0.00%
Common Equity		52.25%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		8.82%
Preferred		0.00%
Common Equity		10.80%
<b>Total Weighted Cost Rate</b>		<u>9.85%</u>
<b>Reimbursement for Taxes on Equity Component</b>		3.64%
<b>Total Rate of Return</b>		13.49%
<b>Allowable Rate of Return</b>		
3/98 - 8/98		9.75%
9/98		9.38%
10/98		9.00%
11/98 - 6/99		8.63%

Column Notes:

- (2) See Page 8, Column (4).
- (3) See Page 8, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Allowable Rate of Return of Prime Rate less 2% times 1.5.

Commonwealth Electric Company  
Summary of Transition Charges  
Return on Fixed Component (Prime Rate Investment)

\$ in Thousands

Line	Year End (1)	Base Return				Annual Return on Unamortized Balance Using Base ROE (6)
		Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	
1	3/1/98	\$417	\$0	\$417		
2	8/31/98	401	1	400	409	18
3	9/30/98	399	1	398	399	3
4	10/31/98	396	1	395	397	3
5	12/31/98	391	2	389	392	5
6	6/30/99	373	2	371	380	15
7	8/31/99	0	0	0	186	0
8	12/31/99	0	0	0	0	0
9	2000	0	0	0	0	0
10	2001	0	0	0	0	0
11	2002	0	0	0	0	0
12	2003	0	0	0	0	0
13	2004	0	0	0	0	0
14	2005	0	0	0	0	0
15	2006	0	0	0	0	0
16	2007	0	0	0	0	0
17	2008	0	0	0	0	0
18	2009	0	0	0	0	0

Column Notes:

- (2) See Page 9, Column (4).
- (3) See Page 9, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Allowable Rate of Return of Prime Rate.

Base Return Component		Year End
Capital Structure:		1995
LTD - Taxable		47.75%
Preferred		0.00%
Common Equity		52.25%
		<u>100.00%</u>
Cost Rates:		
LTD - Taxable		8.82%
Preferred		0.00%
Common Equity		10.80%
		<u>9.85%</u>
Total Weighted Cost Rate		
Reimbursement for Taxes on Equity Component		3.64%
Total Rate of Return		13.49%
Allowable Rate of Return		
3/98 - 8/98		8.50%
9/98		8.25%
10/98		8.00%
11/98 - 6/99		7.75%

Commonwealth Electric Company  
Canal Electric Company  
Summary of Transition Charges  
Return on Fixed Component (13.29% Investment)

\$ in Thousands

Line	Year End (1)	Base Return				Annual Return on Unamortized Balance Using Base ROE (6)
		Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	
1	3/1/98	\$30,823	\$3,747	\$27,076		
2	12/31/98	28,933	3,767	25,166	26,121	2,893
3	6/30/99	27,617	3,659	23,958	24,562	1,632
4	8/31/99	27,210	3,644	23,566	23,762	526
5	12/31/99	26,332	3,570	22,762	23,164	1,026
6	2000	23,699	3,213	20,486	21,743	2,889
7	2001	21,066	2,856	18,210	19,455	2,585
8	2002	18,433	2,499	15,934	17,167	2,281
9	2003	15,800	2,142	13,658	14,879	1,977
10	2004	13,167	1,786	11,381	12,591	1,673
11	2005	10,534	1,429	9,105	10,303	1,369
12	2006	7,901	1,072	6,829	8,015	1,065
13	2007	5,268	715	4,553	5,727	761
14	2008	2,635	358	2,277	3,439	457
15	2009	0	0	0	1,148	152

Base Return Component		Year End
Capital Structure:		1995
LTD - Taxable		50.00%
Preferred		0.00%
Common Equity		50.00%
		<u>100.00%</u>
Cost Rates:		
LTD - Taxable		9.20%
Preferred		0.00%
Common Equity		10.55%
		<u>9.88%</u>
Total Weighted Cost Rate		
Reimbursement for Taxes on Equity Component		3.41%
Total Rate of Return		13.29%

Column Notes:

- (2) See Page 10, Column (4).
- (3) See Page 10, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Total Rate of Return of 13.29%.

Commonwealth Electric Company  
Canal Electric Company  
Summary of Transition Charges  
Return on Fixed Component (6.5% Investment)

\$ in Thousands

Base Return

Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	Annual Return on Unamortized Balance Using Base ROE (6)
1	3/1/98	\$691	\$0	\$691		
2	12/31/98	648	2	646	669	36
3	6/30/99	618	2	616	631	20
4	8/31/99	0	0	0	308	0
5	12/31/99	0	0	0	0	0
6	2000	0	0	0	0	0
7	2001	0	0	0	0	0
8	2002	0	0	0	0	0
9	2003	0	0	0	0	0
10	2004	0	0	0	0	0
11	2005	0	0	0	0	0
12	2006	0	0	0	0	0
13	2007	0	0	0	0	0
14	2008	0	0	0	0	0
15	2009	0	0	0	0	0

Column Notes:

- (2) See Page 11, Column (4).
- (3) See Page 11, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Watson Wyatt Discount Rate of 6.5%.

Base Return Component		Year End
Capital Structure:		1995
LTD - Taxable		50.00%
Preferred		0.00%
Common Equity		50.00%
		100.00%
Cost Rates:		
LTD - Taxable		9.20%
Preferred		0.00%
Common Equity		10.55%
Total Weighted Cost Rate		9.88%
Reimbursement for Taxes on Equity Component		3.41%
Total Rate of Return		13.29%
Watson Wyatt Discount Rate		6.50%

Commonwealth Electric Company  
Summary of Transition Charges  
Return on Fixed Component Adjustment (0% Investment)

\$ in Thousands

Base Return					
Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)
					Annual Return on Unamortized Balance Using Base ROE (6)
1	3/1/98	(\$598)	(\$235)	(\$363)	
2	12/31/98	(752)	(295)	(457)	0
3	6/30/99	(596)	(234)	(362)	0
4	8/31/99	0	0	0	0
5	12/31/99	0	0	0	0
6	2000	0	0	0	0
7	2001	0	0	0	0
8	2002	0	0	0	0
9	2003	0	0	0	0
10	2004	0	0	0	0
11	2005	0	0	0	0
12	2006	0	0	0	0
13	2007	0	0	0	0
14	2008	0	0	0	0
15	2009	0	0	0	0

Column Notes:

- (2) See Page 12, Column (4).
- (3) See Page 12, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Allowable Rate of Return of 0%.

Base Return Component		Year End 1995
<b>Capital Structure:</b>		
LTD - Taxable		47.75%
Preferred		0.00%
Common Equity		52.25%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		8.82%
Preferred		0.00%
Common Equity		10.80%
<b>Total Weighted Cost Rate</b>		<u>9.85%</u>
<b>Reimbursement for Taxes on Equity Component</b>		
		3.64%
<b>Total Rate of Return</b>		13.49%
<b>Allowable Rate of Return</b>		0.00%

Commonwealth Electric Company  
Summary of Transition Charges  
Return on Fixed Component Adjustment (Prime less 2% times 1.5 Investment)

\$ in Thousands

Line	Year End (1)	Base Return				Annual Return on Unamortized Balance Using Base ROE (6)
		Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	
1	3/1/98	\$3,847	\$1,509	\$2,338		
2	8/31/98	3,421	1,342	2,079	2,209	108
3	9/30/98	3,351	1,314	2,037	2,058	16
4	10/31/98	3,280	1,287	1,993	2,015	15
5	12/31/98	3,138	1,231	1,907	1,950	28
6	6/30/99	3,849	1,510	2,339	2,123	92
7	8/31/99	0	0	0	1,170	0
8	12/31/99	0	0	0	0	0
9	2000	0	0	0	0	0
10	2001	0	0	0	0	0
11	2002	0	0	0	0	0
12	2003	0	0	0	0	0
13	2004	0	0	0	0	0
14	2005	0	0	0	0	0
15	2006	0	0	0	0	0
16	2007	0	0	0	0	0
17	2008	0	0	0	0	0
18	2009	0	0	0	0	0

Column Notes:

- (2) See Page 13, Column (4).
- (3) See Page 13, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Allowable Rate of Return of Prime Rate less 2% times 1.5.

Base Return Component		Year End
<b>Capital Structure:</b>		1995
LTD - Taxable		47.75%
Preferred		0.00%
Common Equity		52.25%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		8.82%
Preferred		0.00%
Common Equity		10.80%
		<u>9.85%</u>
<b>Total Weighted Cost Rate</b>		
<b>Reimbursement for Taxes on Equity Component</b>		3.64%
<b>Total Rate of Return</b>		13.49%
<b>Allowable Rate of Return</b>		
3/98 - 8/98		9.75%
9/98		9.38%
10/98		9.00%
11/98 - 6/99		8.63%



Commonwealth Electric Company  
Summary of Transition Charges  
Return on Fixed Component Adjustment (13.49% Investment)

\$ in Thousands

Line	Year End (1)	Base Return				Annual Return on Unamortized Balance Using Base ROE (6)
		Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	
1	3/1/98	(\$1,115)	(\$437)	(\$678)		
2	12/31/98	(1,295)	(508)	(787)	(733)	(82)
3	6/30/99	(1,098)	(431)	(667)	(727)	(49)
4	8/31/99	0	0	0	(334)	0
5	12/31/99	0	0	0	0	0
6	2000	0	0	0	0	0
7	2001	0	0	0	0	0
8	2002	0	0	0	0	0
9	2003	0	0	0	0	0
10	2004	0	0	0	0	0
11	2005	0	0	0	0	0
12	2006	0	0	0	0	0
13	2007	0	0	0	0	0
14	2008	0	0	0	0	0
15	2009	0	0	0	0	0

Column Notes:

- (2) See Page 14, Column (4).
- (3) See Page 14, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Total Rate of Return of 13.49%.

Base Return Component		Year End 1995
<b>Capital Structure:</b>		
LTD - Taxable		47.75%
Preferred		0.00%
Common Equity		52.25%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		8.82%
Preferred		0.00%
Common Equity		10.80%
<b>Total Weighted Cost Rate</b>		<u>9.85%</u>
<b>Reimbursement for Taxes on Equity Component</b>		
		3.64%
<b>Total Rate of Return</b>		<u>13.49%</u>

Commonwealth Electric Company  
Summary of Transition Charges  
Return on Fixed Component Adjustment (Prime Rate Investment)

\$ in Thousands

Line	Year End (1)	Base Return				Annual Return on Unamortized Balance Using Base ROE (6)
		Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	
1	3/1/98	\$0	\$0	\$0		
2	8/31/98	(93)	(36)	(57)	(29)	(1)
3	9/30/98	(109)	(43)	(66)	(62)	0
4	10/31/98	(124)	(49)	(75)	(71)	0
5	12/31/98	(125)	(49)	(76)	(76)	(1)
6	6/30/99	0	0	0	(38)	(2)
7	8/31/99	0	0	0	0	0
8	12/31/99	0	0	0	0	0
9	2000	0	0	0	0	0
10	2001	0	0	0	0	0
11	2002	0	0	0	0	0
12	2003	0	0	0	0	0
13	2004	0	0	0	0	0
14	2005	0	0	0	0	0
15	2006	0	0	0	0	0
16	2007	0	0	0	0	0
17	2008	0	0	0	0	0
18	2009	0	0	0	0	0

Column Notes:

- (2) See Page 15, Column (4).
- (3) See Page 15, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Allowable Rate of Return of Prime Rate.

Base Return Component		Year End 1995
<b>Capital Structure:</b>		
LTD - Taxable		47.75%
Preferred		0.00%
Common Equity		52.25%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		8.82%
Preferred		0.00%
Common Equity		10.80%
<b>Total Weighted Cost Rate</b>		<u>9.85%</u>
<b>Reimbursement for Taxes on Equity Component</b>		
		3.64%
<b>Total Rate of Return</b>		13.49%
<b>Allowable Rate of Return</b>		
3/98 - 8/98		8.50%
9/98		8.25%
10/98		8.00%
11/98 - 6/99		7.75%

Commonwealth Electric Company  
Summary of Transition Charges  
Return on Fixed Component Adjustment (6.5% Investment)

\$ in Thousands

Base Return					
Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)
1	3/1/98	\$0	\$0	\$0	
2	12/31/98	1,436	563	873	437
3	6/30/99	1,436	563	873	873
4	8/31/99	0	0	0	437
5	12/31/99	0	0	0	0
6	2000	0	0	0	0
7	2001	0	0	0	0
8	2002	0	0	0	0
9	2003	0	0	0	0
10	2004	0	0	0	0
11	2005	0	0	0	0
12	2006	0	0	0	0
13	2007	0	0	0	0
14	2008	0	0	0	0
15	2009	0	0	0	0
					Annual Return on Unamortized Balance Using Base ROE (6)

Base Return Component		Year End 1995
<b>Capital Structure:</b>		
LTD - Taxable		47.75%
Preferred		0.00%
Common Equity		52.25%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		8.82%
Preferred		0.00%
Common Equity		10.80%
<b>Total Weighted Cost Rate</b>		<u>9.85%</u>
<b>Reimbursement for Taxes on Equity Component</b>		3.64%
<b>Total Rate of Return</b>		13.49%
<b>Watson Wyatt Discount Rate</b>		6.50%

Column Notes:

- (2) See Page 16, Column (4).  
(3) See Page 16, Column (9).  
(4) Column (2) - Column (3).  
(5) (Column (4) Prior Year + Column (4))/2.  
(6) Column (5) times Watson Wyatt Discount Rate of 6.50%.

Commonwealth Electric Company  
Canal Electric Company  
Summary of Transition Charges  
Return on Fixed Component Adjustment (13.29% Investment)

\$ in Thousands

Base Return

Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	Annual Return on Unamortized Balance Using Base ROE (6)
1	3/1/98	(\$18)	(\$7)	(\$11)		
2	12/31/98	(36)	(14)	(22)	(17)	(2)
3	6/30/99	(38)	(15)	(23)	(23)	(2)
4	8/31/99	0	0	0	(12)	0
5	12/31/99	0	0	0	0	0
6	2000	0	0	0	0	0
7	2001	0	0	0	0	0
8	2002	0	0	0	0	0
9	2003	0	0	0	0	0
10	2004	0	0	0	0	0
11	2005	0	0	0	0	0
12	2006	0	0	0	0	0
13	2007	0	0	0	0	0
14	2008	0	0	0	0	0
15	2009	0	0	0	0	0

Column Notes:

- (2) See Page 17, Column (4).
- (3) See Page 17, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Total Rate of Return of 13.29%.

Base Return Component		Year End 1995
<b>Capital Structure:</b>		
LTD - Taxable		50.00%
Preferred		0.00%
Common Equity		50.00%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		9.20%
Preferred		0.00%
Common Equity		10.55%
<b>Total Weighted Cost Rate</b>		<u>9.88%</u>
<b>Reimbursement for Taxes on Equity Component</b>		3.41%
<b>Total Rate of Return</b>		13.29%

Commonwealth Electric Company  
Canal Electric Company  
Summary of Transition Charges  
Return on Fixed Component Adjustment (6.5% Investment)

\$ in Thousands

Base Return

Line	Year End (1)	Balance of Fixed Component (2)	Deferred Taxes (3)	Net Balance (4)	Average Net Balance (5)	Annual Return on Unamortized Balance Using Base ROE (6)
1	3/1/98	\$0	\$0	\$0		
2	12/31/98	3,118	1,223	1,895	948	51
3	6/30/99	3,099	1,216	1,883	1,889	61
4	8/31/99	0	0	0	942	0
5	12/31/99	0	0	0	0	0
6	2000	0	0	0	0	0
7	2001	0	0	0	0	0
8	2002	0	0	0	0	0
9	2003	0	0	0	0	0
10	2004	0	0	0	0	0
11	2005	0	0	0	0	0
12	2006	0	0	0	0	0
13	2007	0	0	0	0	0
14	2008	0	0	0	0	0
15	2009	0	0	0	0	0

Base Return Component		Year End
<b>Capital Structure:</b>		1995
LTD - Taxable		50.00%
Preferred		0.00%
Common Equity		50.00%
		<u>100.00%</u>
<b>Cost Rates:</b>		
LTD - Taxable		9.20%
Preferred		0.00%
Common Equity		10.55%
<b>Total Weighted Cost Rate</b>		<u>9.88%</u>
<b>Reimbursement for Taxes on Equity Component</b>		3.41%
<b>Total Rate of Return</b>		13.29%
<b>Watson Wyatt Discount Rate</b>		6.50%

Column Notes:

- (2) See Page 18, Column (4).
- (3) See Page 18, Column (9).
- (4) Column (2) - Column (3).
- (5) (Column (4) Prior Year + Column (4))/2.
- (6) Column (5) times Watson Wyatt Discount Rate of 6.5%.

Commonwealth Electric Company  
Residual Value Credit (Debit) Summary

\$ in Thousands

Line		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1	Residual Value Credit (Debit):											
2												
3	Commonwealth (Page 35)	(\$180)	(\$174)	(\$167)	(\$161)	(\$155)	(\$148)	(\$142)	(\$136)	(\$129)	(\$123)	(\$113)
4	Canal (Page 36)	5,827	5,523	5,219	4,914	4,610	4,306	4,002	3,698	3,394	3,090	2,788
5	Canal (Page 37)	35,854	35,067	34,281	33,494	32,707	31,921	31,134	30,348	29,561	28,775	27,986
6	Commonwealth (Page 38) Lowell Buyout	0	0	0	0	0	0	0	0	0	0	0
7	Commonwealth (Page 39) Pilgrim Buyout	(6,233)	(12,299)	(11,998)	(11,723)	(11,448)	(11,173)	(10,898)	(10,621)	(10,346)	(10,071)	(9,802)
8	Commonwealth (Page 44) PREA Buyout	(247)	(265)	(259)	(254)	(248)	(242)	(236)	(230)	(225)	(219)	(208)
9	Commonwealth (Page 45) Seabrook Buyout	0	(2,424)	(15,387)	(15,034)	(14,681)	(14,328)	(13,975)	(13,622)	(13,269)	(12,915)	(12,563)
10	Commonwealth (Page 46) Regulatory Asset Transfer	(3,409)	(6,950)	(6,782)	(6,615)	(6,447)	(6,280)	(6,113)	(5,945)	(5,778)	(5,610)	(5,445)
11	Commonwealth (Page 47) Cannon Street SO2 Credit	0	0	0	0	0	0	0	0	0	0	0
12	Additional Return	168										
13	Total Residual Value Credit (Debit)	<u>\$31,780</u>	<u>\$18,478</u>	<u>\$4,907</u>	<u>\$4,621</u>	<u>\$4,338</u>	<u>\$4,056</u>	<u>\$3,772</u>	<u>\$3,492</u>	<u>\$3,208</u>	<u>\$2,927</u>	<u>\$2,643</u>

Line		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	Book Basis @ 1/1/1999	(1)											
2		\$1,722											
3	Tax Basis @ 1/1/1999												
4													
5	Excess Book vs. Tax												
6	Combined Federal and State Tax Rate												
7	Deferred Taxes on Basis Difference												
8													
9	Beginning Plant Balance	1,722	1,565	1,408	1,251	1,094	937	780	623	466	309	152	
10	Required Amortization	157	157	157	157	157	157	157	157	157	157	152	1,722
11	Ending Plant Balance	1,565	1,408	1,251	1,094	937	780	623	466	309	152	0	
12													
13	Beginning Accumulated Deferred Tax Balance	(429)	(390)	(351)	(312)	(273)	(234)	(195)	(156)	(117)	(78)	(39)	
14	Deferred Tax Provision	(39)	(39)	(39)	(39)	(39)	(39)	(39)	(39)	(39)	(39)	(39)	(429)
15	Ending Accumulated Deferred Tax Balance	(390)	(351)	(312)	(273)	(234)	(195)	(156)	(117)	(78)	(39)	0	
16													
17	Beginning Plant (Net of Deferred Taxes)	1,293	1,175	1,057	939	821	703	585	467	349	231	113	
18	Ending Plant (Net of Deferred Taxes)	1,175	1,057	939	821	703	585	467	349	231	113	0	
19	Average Plant	1,234	1,116	998	880	762	644	526	408	290	172	57	
20	Return @ BTWACC (COM 12/31/1995)												
21		166	151	135	119	103	87	71	55	39	23	8	
22													
23													
24	Per Compliance Filing:												
25	Return of Investment	157	157	157	157	157	157	157	157	157	157	152	
26	Return on Investment	166	151	135	119	103	87	71	55	39	23	8	
27													
28	Total Investment	323	308	292	276	260	244	228	212	196	180	160	

Canal Electric Company  
Calculation of Transition Charge (Canal Owned Generation) per Compliance Filing

\$ in Thousands

Line	1999 (2)	2000 (3)	2001 (4)	2002 (5)	2003 (6)	2004 (7)	2005 (8)	2006 (9)	2007 (10)	2008 (11)	2009 (12)	Total (13)
1												
2	(1)											
3	\$28,965											
4	19,304											
5	9,661											
6	39,225%											
7	3,790											
8												
9	28,965	26,332	23,699	21,066	18,433	15,800	13,167	10,534	7,901	5,268	2,635	28,965
10	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,635	
11	26,332	23,699	21,066	18,433	15,800	13,167	10,534	7,901	5,268	2,635	0	
12												
13	(3,790)	(3,445)	(3,100)	(2,755)	(2,410)	(2,065)	(1,720)	(1,375)	(1,030)	(685)	(340)	(3,790)
14	(345)	(345)	(345)	(345)	(345)	(345)	(345)	(345)	(345)	(345)	(340)	
15	(3,445)	(3,100)	(2,755)	(2,410)	(2,065)	(1,720)	(1,375)	(1,030)	(685)	(340)	0	
16												
17	25,175	22,887	20,599	18,311	16,023	13,735	11,447	9,159	6,871	4,583	2,295	
18	22,887	20,599	18,311	16,023	13,735	11,447	9,159	6,871	4,583	2,295	0	
19	24,031	21,743	19,455	17,167	14,879	12,591	10,303	8,015	5,727	3,439	1,148	
20	3,194	2,890	2,586	2,281	1,977	1,673	1,369	1,065	761	457	153	
21	13.29%											
22												
23	NPV											
24	@ ATWACC											
25	Per Compliance Filing:											
26	Return of Investment	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,635	
27	Return on Investment	3,194	2,890	2,586	2,281	1,977	1,369	1,065	761	457	153	
28	Total Investment	5,827	5,523	5,219	4,914	4,610	4,002	3,698	3,394	3,090	2,788	



Commonwealth Electric Company  
Calculation of Residual Value Credit - Sale of Commonwealth Owned Generation

\$ in Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2	(1)											
3	(\$1,057)											
4	(13)											
5	(194)											
6	14											
7	(\$1,250)											
8												
9	629											
10												
11	(1,879)											
12	39,225%											
13	(737)											
14												
15												
16												
17	(1,250)	(1,136)	(1,022)	(908)	(794)	(680)	(566)	(452)	(338)	(224)	(110)	(1,250)
18	(114)	(114)	(114)	(114)	(114)	(114)	(114)	(114)	(114)	(114)	(110)	
19	(1,136)	(1,022)	(908)	(794)	(680)	(566)	(452)	(338)	(224)	(110)	0	
20												
21	737	670	603	536	469	402	335	268	201	134	67	737
22	67	67	67	67	67	67	67	67	67	67	67	
23	670	603	536	469	402	335	268	201	134	67	0	
24												
25												
26												
27												
28												
29												
30												
31												
32												
33												

13.49%

NPV  
@ ATWACC

Sale @ 1/1/1999

Return of Investment  
Return on Investment

Total Investment

8.20%  
(\$1,082)

Line		1999 (2)	2000 (3)	2001 (4)	2002 (5)	2003 (6)	2004 (7)	2005 (8)	2006 (9)	2007 (10)	2008 (11)	2009 (12)	Total (13)
1	Gross Proceeds (Net of Transaction Costs)	(1) \$28,965											
2													
3	Tax Basis @ 1/1/1999												
4													
5	Excess Proceeds vs. Tax												
6	Combined Federal and State Tax Rate												
7	Deferred Taxes on Difference												
8													
9	Beginning Plant Balance	28,965	26,332	23,699	21,066	18,433	15,800	13,167	10,534	7,901	5,268	2,635	
10	Required Amortization	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,635	28,965
11	Ending Plant Balance	26,332	23,699	21,066	18,433	15,800	13,167	10,534	7,901	5,268	2,635	0	
12													
13	Beginning Accumulated Deferred Tax Balance	(3,790)	(3,445)	(3,100)	(2,755)	(2,410)	(2,065)	(1,720)	(1,375)	(1,030)	(685)	(340)	(3,790)
14	Deferred Tax Provision	(345)	(345)	(345)	(345)	(345)	(345)	(345)	(345)	(345)	(345)	(340)	
15	Ending Accumulated Deferred Tax Balance	(3,445)	(3,100)	(2,755)	(2,410)	(2,065)	(1,720)	(1,375)	(1,030)	(685)	(340)	0	
16													
17	Beginning Plant (Net of Deferred Taxes)	25,175	22,887	20,599	18,311	16,023	13,735	11,447	9,159	6,871	4,583	2,295	
18	Ending Plant (Net of Deferred Taxes)	22,887	20,599	18,311	16,023	13,735	11,447	9,159	6,871	4,583	2,295	0	
19	Average Plant	24,031	21,743	19,455	17,167	14,879	12,591	10,303	8,015	5,727	3,439	1,148	
20	Return @ BTWACC (CANAL 12/31/1995)	3,194	2,890	2,586	2,281	1,977	1,673	1,369	1,065	761	457	153	
21													
22													
23	Sale @ 1/1/1999												
24													
25													
26	Return of Investment	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,635	
27	Return on Investment	3,194	2,890	2,586	2,281	1,977	1,673	1,369	1,065	761	457	153	
28													
29	Total Investment	5,827	5,523	5,219	4,914	4,610	4,306	4,002	3,698	3,394	3,090	2,788	

[illegible]

4/17/03 9:47 AM

Commonwealth Electric Company  
Calculation of Residual Value Credit - Sale of Canal Owned Generation - Excess Net Book Value

\$ in Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												

Commonwealth Electric Company  
Calculation of Residual Value Debit - Lowell Cogen Buyout

\$ in Thousands

Line	9/1/99 (1)	2000 (2)	2001 (3)	2002 (4)	2003 (5)	2004 (6)	2005 (7)	2006 (8)	2007 (9)	2008 (10)	2009 (11)	Total (12)
1 1999 Payment												\$0
2 2000 Payment												0
3 2001 Payment												0
4 2002 Payment												0
5 2003 Payment												0
6 2004 Payment												0
7												0
8 Total Residual Value Debit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Commonwealth Electric Company  
Calculation of Residual Value Debit - Pilgrim Buyout

\$ in Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
7/1/1999 Initial Filing Balance	(\$6,449)	(\$13,172)	(\$12,876)	(\$12,581)	(\$12,285)	(\$11,990)	(\$11,695)	(\$11,399)	(\$11,104)	(\$10,808)	(\$10,514)	(\$124,873)
2	216	440	430	420	410	400	390	381	371	361	351	4,170
3		194	190	186	181	177	173	168	164	159	154	1,746
4		239	258	252	246	240	234	229	223	217	207	2,345
5												
6	(\$6,233)	(\$12,299)	(\$11,998)	(\$11,723)	(\$11,448)	(\$11,173)	(\$10,898)	(\$10,621)	(\$10,346)	(\$10,071)	(\$9,802)	(\$116,612)
Total Residual Value Debit												

NPV  
@ ATWACC

Commonwealth Electric Company  
Calculation of Residual Value Debit - Pilgrim Buyout (Filing Adjustment)

\$ in Thousands

Line	7/1/99 (2)	2000 (3)	2001 (4)	2002 (5)	2003 (6)	2004 (7)	2005 (8)	2006 (9)	2007 (10)	2008 (11)	2009 (12)	Total (13)
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												

Commonwealth Electric Company  
Calculation of Residual Value Debit - Pilgrim Buyout (Divestiture Revision)

\$ in Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1	(1)											
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												



Commonwealth Electric Company  
Calculation of Residual Value Debit - Pilgrim Buyout (ROE Adjustment)

\$ in Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												

Commonwealth Electric Company  
Calculation of Residual Value Debit - PREA Buyout

\$ in Thousands

Line	2/1/99	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												

(1)  
(\$2,285)

0

(2,285)

39.225%  
(896)

4.69%

NPV  
@ ATWACC

Commonwealth Electric Company  
Calculation of Residual Value Debit - Seabrook Buydown

\$ in Thousands

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												

Commonwealth Electric Company  
Calculation of Residual Value Debit - Transfer of Regulatory Assets

\$ in Thousands

Line		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2													
3	Tax Basis @ 7/1/1999	(1)											
4		(\$56,144)											
5	Excess Proceeds vs. Tax												
6	Combined Federal and State Tax Rate												
7	Deferred Taxes on Difference												
8													
9	Beginning Plant Balance	(56,144)	(53,592)	(48,233)	(42,874)	(37,515)	(32,156)	(26,797)	(21,438)	(16,079)	(10,720)	(5,361)	(56,144)
10	Required Amortization	(2,552)	(5,359)	(5,359)	(5,359)	(5,359)	(5,359)	(5,359)	(5,359)	(5,359)	(5,359)	(5,361)	
11	Ending Plant Balance	(53,592)	(48,233)	(42,874)	(37,515)	(32,156)	(26,797)	(21,438)	(16,079)	(10,720)	(5,361)	0	
12													
13	Beginning Accumulated Deferred Tax Balance	18,741	17,889	16,100	14,311	12,522	10,733	8,944	7,155	5,366	3,577	1,788	18,741
14	Deferred Tax Provision	852	1,789	1,789	1,789	1,789	1,789	1,789	1,789	1,789	1,789	1,788	
15	Ending Accumulated Deferred Tax Balance	17,889	16,100	14,311	12,522	10,733	8,944	7,155	5,366	3,577	1,788	0	
16													
17	Beginning Plant (Net of Deferred Taxes)	(37,403)	(35,703)	(32,133)	(28,563)	(24,993)	(21,423)	(17,853)	(14,283)	(10,713)	(7,143)	(3,573)	
18	Ending Plant (Net of Deferred Taxes)	(35,703)	(32,133)	(28,563)	(24,993)	(21,423)	(17,853)	(14,283)	(10,713)	(7,143)	(3,573)	0	
19	Average Plant	(36,553)	(33,918)	(30,348)	(26,778)	(23,208)	(19,638)	(16,068)	(12,498)	(8,928)	(5,358)	(1,787)	
20	Return @ BTWACC	(857)	(1,591)	(1,423)	(1,256)	(1,088)	(921)	(754)	(586)	(419)	(251)	(84)	
21													
22													
23													
24	Transfer @ 7/1/1999												
25													
26	Return of Investment	(2,552)	(5,359)	(5,359)	(5,359)	(5,359)	(5,359)	(5,359)	(5,359)	(5,359)	(5,359)	(5,361)	
27	Return on Investment	(857)	(1,591)	(1,423)	(1,256)	(1,088)	(921)	(754)	(586)	(419)	(251)	(84)	
28													
29	Total Investment	(3,409)	(6,950)	(6,782)	(6,615)	(6,447)	(6,280)	(6,113)	(5,945)	(5,778)	(5,610)	(5,445)	

4.69%

NPV  
@ ATWACC

Commonwealth Electric Company  
Calculation of Residual Value Credit - Sale of Cannon Street SO2 Credits

\$ in Thousands

Line	1999 (2)	2000 (3)	2001 (4)	2002 (5)	2003 (6)	2004 (7)	2005 (8)	2006 (9)	2007 (10)	2008 (11)	2009 (12)	Total (13)
1												
2												
3												
4												
5												
6												
7												
8												
9	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0
11	0	0	0	0	0	0	0	0	0	0	0	0
12												
13	0	0	0	0	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0	0	0	0	0
16												
17	0	0	0	0	0	0	0	0	0	0	0	0
18	0	0	0	0	0	0	0	0	0	0	0	0
19	0	0	0	0	0	0	0	0	0	0	0	0
20	0	0	0	0	0	0	0	0	0	0	0	0
21												
22												
23												
24												
25												
26	0	0	0	0	0	0	0	0	0	0	0	0
27	0	0	0	0	0	0	0	0	0	0	0	0
28												
29	0	0	0	0	0	0	0	0	0	0	0	0

0.00%

NPV  
@ ATWACC

Sale @ 12/1/2001

Return of Investment

Return on Investment

Total Investment